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THE TIMES

Europa: How oil weapon can be blunted

\National steel strike :hreatened on 2% offer

William Sirs, leader of the steel industry's est union, last night rejected the British Corporation's 2 per cent pay offer as ıly insulting" and said his members were d". Industrial action will be considered on ay.

Jnion 'livid' at pay and jobs package

ıl Routledge
Editor

ıtional strike is brewing state steel industry over cent pay offer and manıt plans to cut the worky about 50,000.

tiators from the largest n the industry, the Iron el Trades Confederation, ay rejected within a wage package tabled British Steel Corpora- They recommended the executive to issue "a directive" to the entire ector membership.

William Sirs, general sec- of the ISTC, last night le room for doubt that truction will be for an strike, but almost cer- ot before early January. lustry's wage agreement t expire until December the union would then week's notice of indus- tion.

e is no mistaking the ıess of the labour rela- isis. Mr Sirs said: "Our 's are livid, and they are epared to accept. They eached the stage now -regardless of what s to the industry—they going to accept this sort , which they regard as insulting."

corporation's position t bluntly by Dr David , managing director nel and social policy), nsisted: "We cannot to do any more. The e that we are bust." He "It's like Mother Hub- There's nothing in the d."

which last week announ- half yearly loss of and expects "worse to has embarked on a new f job cutbacks aimed at ıg an industry employ- 000 people and produc- 000,000 tonnes of liquid year. The latest shut- will affect some of the ants that the unions were safe from ration- r.

sponse to the claim put several unions for rises than 20 per cent for staff and manual the BSC asked the unions to accept 2 per cent across the board and local, self-financing "efficient working arrangements" in place of traditional national bargaining. Deals at works or divisional level might yield up to 10 per cent more but only if justified by "improved, proven performance results".

The ISTC negotiators rejected this formula as divisive, and the union's position will become clearer after the 21-man executive meets in London on Friday. Mr Sirs added: "Our people are beginning to get more aggressive. They are absolutely fed up of being on the receiving end. We have lost over 40,000 jobs over the past two years without the traumatic events in Germany and France, and this is all the thanks we get. Steelworkers are still working in a dirty and dangerous industry, and they are being asked to do it for a 15 per cent reduction in their standard of living."

The steelworkers are unlikely to agree to go to arbitration, as the industry's disputes procedure provides, and a five-minute adjournment after the initial rejection of the 2 per cent offer left the two sides at stalemate. BSC refused to improve its offer.

Dr Grieves said in a statement later: "The corporation is convinced that to add substantial extra wage costs to current losses would be gravely irresponsible and, in the long run, contrary to the interests of the unions and their members.

"There is an overwhelming need for performance improvements to be reflected in actual financial results throughout the BSC. The scale of improvement needed is such that it calls for major change to be accepted. Many of the changes are bound to be unpalatable ones affecting possible plant closures and levels of manning."

BSC is hoping to get through its partial closure of Shotton and Corby steelworks "quite fast", and will then turn its attention to cutting the labour force at Llanwern and Port Talbot in South Wales, Consett in co Durham and the Normanby Park Anchore works in Scunthorpe Lincolnshire.

Thatcher pledge to keep asking for more

By Fred Emery
Political Editor

Mrs Margaret Thatcher said yesterday that she doubted whether Britain would get that "broad balance" in its EEC budget contributions next year which she has been so vociferously demanding. But she would keep asking for more.

Reporting to the Commons on the abortive Dublin summit, Mrs Thatcher was undaunted. She faced jeers and taunts from Labour and Scottish National Party MPs—a "paper tigress", Mr Wedgwood Benn called her if she could produce no back-up for her threats.

But the Prime Minister seemed, if not chastened, to want to show her more reasonable side, claiming all the time that it was not a bad "start" to have been offered £350m of the £1,000m reduction she had sought in Britain's estimated contribution next year.

There would now be intense diplomatic activity to try to increase Britain's receipts from the Community in time for the planned summit next February.

Mrs Thatcher seemed to hint that the meeting would not take place unless all the figures had been agreed beforehand. She did not say how much less she might agree to than the original £1,000m demanded, but she did not deny that assumption by Mr Callaghan, leader of the Opposition.

The solution lay in reforming the "structure" of the EEC common agricultural policy.

That would take time; that could bring "broad balance"; the Community had to do it; it must by next spring do its best to increase Britain's receipts, plus retaining the £350m cut in our contributions offered in Dublin.

The "structure" had to be reformed within 18 months, that is, the end of Britain's financial year 1980-81.

Mrs Thatcher was also brought for the first time to speculate on British countermeasures if we failed to get our way. To Mr Alexander Eadie, Labour MP for Midlothian, she said there were only two ways: to prevent further progress in Community decisions, which would be disruptive; and to withhold Britain's budget contributions.

She insisted that the latter had not so far been considered; But she noted that it was more direct while the former was "more disruptive". She no longer called it "illegal".

Labour call to leave the Nine

Labour's home policy committee came close to pushing the party towards withdrawal from the EEC last night. A resolution was approved setting up a study group to examine alternatives to membership, as well as calling on the Government to cease paying all EEC taxes and boycotting EEC meetings.

Glimpse over the wall: Herr Helmut Schmidt, the West German Chancellor, reading *Neues Deutschland*, the newspaper of the East German communist party, while attending a conference of his Social Democratic Party in West Berlin yesterday. Herr Brandt launched a strongly worded attack on Herr Franz Josef Strauss, who will lead the conservative opposition in next year's elections. A victory for Herr Strauss, he said would lose Germany the hard-won confidence of the world. Instead there would be fear in Germany, fear for Germany fear of Germany. Full report, page 6

British move to end Rhodesia deadlock

By David Spanier
Diplomatic Correspondent

Lord Carrington, the Foreign Secretary, warned the Patriotic Front last night that if they cannot agree to a ceasefire in Zimbabwe Rhodesia, Britain would go ahead with a settlement without them.

Although he said: "No doors have been finally closed", it is clear that the constitutional conference from which so much was hoped is now on the verge of collapse.

The Government made an Order in Council last night making provision for a British Governor with full legislative and executive powers, Lord Carrington said in a press statement. He is expected to be sent to Salisbury shortly. The full text of the independence constitution will be enacted by the British Parliament within the next few days, Lord Carrington added.

"I do not despair of reaching agreement; but I am as close to despairing as I have been in the whole three months of this negotiation," the Foreign Secretary said, looking strained and speaking with some emphasis.

He said that it was "indefensible to continue the war". If the ceasefire proposals were accepted, the practical details of their implementation would need to be settled by the end of the week at the latest.

The Patriotic Front spokesman, speaking immediately after hearing Lord Carrington's grim decision, said that earlier in the afternoon the British had cancelled a meeting with them, because they would not give a "yes" or "no" answer, as Lord Carrington was demanding.

They could not negotiate by telephone in this way. He said that Lord Carrington's statement would be studied overnight and that the Patriotic Front leaders, Mr Joshua Nkomo and Mr Robert Mugabe would give their full comments and response today.

Dr Zvobgo, Mr Mugabe's spokesman, noted that Lord Carrington had not said the conference was ending. "He can't go ahead without us. He knows that".

Meanwhile, the delegation led by Bishop Muzorewa, the Prime Minister, have let it be known that they are planning to return home to Salisbury today.

In his statement, which followed a meeting with Cabinet colleagues, Lord Carrington said that the Patriotic Front's response to the British ceasefire proposals was a mixture of repetition and unreasonable proposals.

The action which the British Government was now taking would leave it open to the Patriotic Front to participate in the settlement. But Lord Carrington implied that so far as he was concerned the British proposals could not be altered

"No one can oblige either side to accept a ceasefire but I hope very much that the Patriotic Front will reconsider the decision", he said, "so that the conflict which has already brought so much suffering to the people of Rhodesia and to the neighbouring countries can be brought quickly to an end."

He went on to say that Britain could not wait for ever for the Patriotic Front's reply.

Zanu picket paper, page 6

Union ends action at BBC television

By Kenneth Gosling

Industrial action by BBC television engineers was called off last night after the BBC and the Association of Broadcasting and Allied Staffs reached agreement on a formula devised on Friday. Normal working will be resumed at noon today.

The engineers had taken the action because of their dissatisfaction at the progress made on grading claims.

Mr Anthony Hearn, general secretary of the union, said after a meeting of the general executive: "The BBC and the ABS have reached final agreement on the formula produced at the Advisory, Conciliation and Arbitration Service on Friday for settling the present dispute over grading. The ABS is instructing its members to return to full normal working at noon today."

The BBC would take back everyone who had been off the payroll as a result of the dispute—about 600 people—and provision had been made for further arbitration if further negotiation failed to resolve outstanding issues by the end of next month, Mr Hearn said.

Towards the end of the executive's meeting a small action committee went to Broadcasting House to see BBC officials to ensure, in the words of Mr Hearn, that both sides fully understood the implications of the formula.

Three clubs closed by Ladbroke after appeal

By Marcel Berlins
and Richard Allen

Three London casinos operated by the Ladbroke group have been closed for gaming after the rejection of appeals against the loss of their licences.

After a hearing lasting four weeks, Knightsbridge Crown Court yesterday upheld a decision by licensing magistrates last July that Ladbroke were not "fit and proper persons" to run the casinos.

The casinos affected are the Ladbroke Club, the Hertford Club, and the Park Lane Casino. The group has a fourth casino, the Park Tower, which was not directly involved in the appeal, though it is expected to be closed when its licence renewal application is heard. The future of Ladbrokes 11 provincial casinos may also be in doubt.

Judge Friend, in rejecting the appeals, described Ladbroke's conduct in running their casinos as "disgraceful". During the hearing, the court had been told of various breaches of the Gaming Act.

The registration numbers of cars parked near rival casinos had been noted, and the owners traced through a police computer in Nottingham; commissions had been paid to people introducing gamblers to the casinos, based on how much they lost; lavish dinners were given and customers were lured with gifts.

The law requiring a 48-hour period between application for membership and being allowed to gamble had been broken.

Judge Friend sat with four magistrates and their decision was unanimous. Ladbroke did what they did "knowing what they were doing, and knowing they were jeopardizing their chances, and in spite of that went on doing it", the judge said.

He rejected Ladbroke's argument that the licences should be restored because the group had been restructured and the gaming operations hived off to a separate company, City and Provincial Gaming Holdings, with new directors.

If that could affect the court's decision, he said, "it would simply mean that every limited liability company could breach the law as much as it wished, and, when the consequences came upon them, they could alter the structure and say that it was all being done by someone else and that they did not have to suffer."

The judge ordered Ladbroke to pay the legal costs of all four objectors to the renewal of their licences: the police, the Gaming Board, the Playboy Club, and the South Westminster licensing justices who had originally refused to renew the licences.

In the stockmarkets the court's decision had been widely anticipated with the result that Ladbroke shares, which have been under pressure all year, slipped away 3p to 139p. Shares in a rival gaming group Coral Leisure, whose former casino director, Mr Bernard Coral, faces Gaming Act conspiracy charges, rose 2p to 62p.

There was stock market speculation last night that bids could be in the offing for Ladbroke and Coral.

Casino operators, page 12
Financial Editor, page 19

M Fontaine: No recollection of what happened.

Frenchman back to earth with a bump

From Ian Murray
Paris, Dec 3

A week, almost to the minute, after he was reported missing, M. Frank Fontaine returned to Clérgy Pontoise early this morning. For someone who might claim to have spent the past seven days as the guest of creatures from outer space it was not a particularly happy homecoming.

M Fontaine disappeared after becoming separated from two friends when they spotted a light in the sky over Clérgy Pontoise (Val - d'Oise) last Monday. He spent most of his first day back at Pontoise police station being interrogated by hard-headed French policemen. It would be difficult to come down to earth with a harder bump.

So far, M Fontaine, aged 19, has not confessed himself to be a hoaxer. Nor has he, on the other hand, been able to tell anyone what life he has met at the outer edge of the galaxy. M Fontaine simply says he cannot remember what has happened to him.

What he says he can remember is similar to what his two friends, M Jean-Pierre Prevot and M Saloman N'diaye, told police under intensive questioning a week ago.

He says he remembers helping to load up their shooting brake to go to Gisors market at 4 o'clock last Monday morning, when they noticed a bright light in the sky, descending to earth. While his friends went to find a camera he says he drove towards the light.

Then, he told police, he saw the light, as big as a tennis ball, to the right of the car but getting closer until it landed on the bonnet. Then, he said, he felt a strong tingling in his eyes and everything went blank.

He said he had no knowledge of his friends' story that they saw the light engulf the car and then disappear upwards.

Instead, he says, he found himself in the road today at the very spot to which he had driven. Seeing no car, he said he thought it must have been stolen while he was unconscious, so he walked to M. N'diaye's flat nearby.

Two hours later the three friends went to the police, saying they had waited for M. Prevot. Police say that was long enough for them to concoct a story.

Commandant Roger Courcous, in charge of the Pontoise police station, said: "We are swimming in fantasy."

If the three admit their story was a hoax they could be charged with insulting the law and the forces of order.

ntre-right iance ıs poll in rtugal

n, Dec 3.—Portugal re- the centre right Demo- Alliance to power today, ars after welcoming the ow of nearly half a cen- right-wing dictatorship. Democratic Alliance cap- 118 seats on the main- On the Azores and a, the Social Democratic one of its components, other seven seats to give liance half of the 250 ı the new Parliament.

seas Portuguese postal to return a further four s will be counted on ber 12. The Alliance took three of these seats 1976 general election re expected to do the gain.

would give the Alliance of 128 seats, a majority over the combined oppo- of Socialists, Communists, one deputy from the e-left People's Demo- Union.

Francisco Sa Carreiro, the -old lawyer who leads cial Democrats and the e is expected to be ted Prime Minister by ent Ramalho Eanes once inal result has been ced.

Sa Carneiro said the elec- with a turnout of close on cent, showed the com- nise of the Portuguese and their continuing in the democratic pro-

Mario Soares, the Socialist , conceded defeat during ght as results showed a away from his party to the right or to the unists.

Dr Alvaro Cunhal, the unist's secretary-general, he election was a victory is party

Sa Carneiro has been y critical of President whom he has accused of ately supporting the left contemplating a military- ential type of govern- The Alliance has made it that it will not support ndidature should General seek a second presiden- rm in 1981. —Reuter.

gal's new rulers, page 6
rd Levin, page 12

Dollar shaken by Iran crisis

The dollar fell to a new record low against the Deutsche mark as the price of gold soared by $16.5 an ounce. Currency markets were shaken by the continuing crisis between the United States and Iran and fears that anti-American feeling is spreading to other Middle East countries. The dollar's fall would have been heavier but for intervention by central banks Page 17

Hospital workers go back

The unofficial strike by 55 engineering workers at Charing Cross Hospital, London, ended after an agreement was reached with the help of Acas, the conciliation service. The first new patients will be admitted today. The peace formula commits both sides to seek a permanent resolution to the workers' difficulties Page 2

Teachers seek 50 pc rise

Teachers' leaders will be pressing for pay rises averaging nearly 50 per cent on present salary levels over the next nine months, the National Union of Teachers said. That would raise the present average salary of £5,500 a year to more than £8,000 Page 2

Five cleared of bank plot

The Court of Appeal quashed the convictions of five men, including a Bank of England official, who were accused of conspiring to defraud the bank of more than £1m in dollar premium rebates. Jail sentences ranging from four years to nine months were set aside Page 4

Israel torture alleged

Amnesty International is understood to have sent a document to Mr Menachem Begin, the Israeli Prime Minister, containing detailed allegations that Israeli security forces have tortured Arabs suspected of being terrorists. Page 7

Belfast prison officer murdered by IRA

The Provisional IRA last night murdered a prison officer in Belfast. Gunmen attacked him at his home and he was dead on arrival at hospital. In a political development in the province the prospect grew of a new Unionist party being established after the refusal of the Official Unionists to join the Government's proposed constitutional conference. Mr William Craig, former MP for Belfast East, is threatening to resign if the party continues to insist on boycotting the conference Page 3

Talks on 'black' coal ship

Peace talks are to be held to end the blacking by Newport dockers of a ship loaded with American coking coal and bound for the Llanwern steelworks in South Wales. The dockers acted after a request from miners in South Wales who are angry at the British Steel Corporation's decision to import coking coal Page 2

Inflation reaches 17 pc

A high rate of retail price inflation until well into next year has been forecast after the release of the latest industrial price figures. But relatively good figures for factory gate prices brought down the wholesale inflation rate for the past six months to an annual rate of 17 per cent Page 17

Iranians keep polls open all night to boost 'Yes' vote

Tehran, Dec 3.—The Iranian authorities ordered polling stations to remain open all night to boost the turnout in the two-day referendum which is certain to give approval to Ayatollah Khomeini's Islamic constitution.

Electoral headquarters said the polling stations should stay open until officers were satisfied that all voters in their locality had had a chance to cast their ballots.

Voting was originally scheduled to end at 6 pm, but officials appeared to want to bolster the "Yes" returns in the face of generally low turnouts. Votes cast against the constitution, which gives Ayatollah Khomeini command of the armed forces and a right of veto over the election of a president, were negligible.

Opponents of the charter, particularly in the troubled ethnic border regions, were concentrating on a boycott campaign. Official voting figures were generally well down on the referendum last March which abolished the monarchy and created an Islamic republic.

Officials reported active voting today at a polling station opposite the American Embassy, where fundamentalist Islamic students are holding 50 Americans hostage to back their demand for the extradition of the deposed Shah. The 400 students occupying the embassy all polled "Yes" votes yesterday when a ballot box was taken into the building.

The official result of the referendum is likely to be announced at the end of the week.—Reuter.

Lackland Air Force base, Texas, Dec 3.—The deposed Shah of Iran was given temporary asylum inside this military base as the United States authorities sought a permanent place of exile for him.

Washington, Dec 3.—The State Department attacked Senator Edward Kennedy today, saying his comments on Iran could interfere with negotiations to free the 50 American hostages held in Tehran.

The senator said that the Shah's government had been "one of the most violent regimes in the history of mankind." The interests of the United States, he said, lay "with the Iranian people."

Mr Hodding Carter, the State Department spokesman, called the senator's remarks "unfortunate and not helpful." Speaking for Mr Vance, the Secretary of State, he expressed regret at "any such statement which shifts the focus of concern away from the hostages and may interfere with delicate negotiations."

Republican leaders also sharply criticized Senator Kennedy's statements.—Reuter.

Kennedy attack, page 6

Woman who fell from plane was worried about health

Mrs Isabel Ritblat, who fell 1,000ft to her death from an aircraft on Sunday, was worried about her health. Police said yesterday that Mrs Ritblat, aged 42, cut short a ski-ing holiday in Switzerland with her husband because of her concern.

A Hertfordshire police spokesman could not confirm a report that Mrs Ritblat feared she had cancer. "I know nothing about that, but I do know that her health was worrying her," he said.

There are no suspicious circumstances surrounding the accident, but the police are investigating how the door of the Beechcraft Super King Air 200 in which Mrs Ritblat was flying could have opened against the slipstream.

The pilot and copilot had checked that Mrs Ritblat was safely strapped in for landing.

Mr John Ritblat, her husband, the chairman of the British Land property company, flew back from St Moritz to Heathrow yesterday.

Eagle Air Services, of Leavesden, Hertfordshire, who operate the aircraft for Mr Ritblat, said yesterday that the door could not have opened accidentally. Mr Derek Payling, a senior pilot, said: "Some considerable force" would have been needed to pull down a lever releasing the door.

HOME NEWS

Talks arranged to end dockers' blacking of ship carrying coking coal to South Wales

By David Felton
Labour Reporter

Peace talks have been arranged for tomorrow in the dispute that prevented a ship loaded with American coking coal bound for the Llanwern steelworks in south Wales from entering Newport docks yesterday morning.

Dockers refused to handle the ship after a request from the South Wales area of the National Union of Mineworkers, who are angry at plans by the British Steel Corporation to import about 27 per cent of its coking coal requirements in the financial year to next March.

The Greek cargo vessel Maria Lemos, loaded with 18,000 tonnes of coking coal, was turned away from Newport docks after several unions, including the Transport and General Workers' Union, which represents the dockers, and the National Union of Railwaymen, decided to black the cargo.

After being refused entry to Newport the vessel turned round and last night was lying at anchor about two miles off Barry, having sent ashore a member of the crew with an injured hand. It is also understood that the captain of the ship, Captain George Paterias, made a plea to enter the docks to take on fresh food and water. These were later supplied from Barry.

A spokesman for Newport docks said it was costing about £1,000 a day to keep the ship anchored in Barry Roads, and Mr James Heaven, the dockers' leader, said that if the Maria Lemos tried to use other British ports to unload her cargo dockers would impose a similar boycott.

Peace moves in the dispute came from the Wales TUC, which called for a meeting with the NCB and BSC to find a solution to "avoid a lot of people getting hurt", Mr George Wright, general secretary of the Wales TUC, said.

The steel corporation decided to boost its coking coal imports because it is cheaper than to buy from the coalboard and because it is under strong pressure from the Government to break even next year. Sir Derek Ezra, chairman of the NCB, said during a visit to Cardiff last week that the BSC plans could affect 3,000 mining jobs in South Wales.

Pay ballot: The miners are to receive up to £2.55 a week in addition to the 20 per cent rises that were the subject of last week's pithead ballot. Latest indications are that the vote will not produce the 55 per cent majority required under union rules to authorize strike action (our Labour Editor writes).

The new increases, payable from January 1, are the result of a working party report on payment for time spent going down the pit and cleaning up after work. That is the so-called "waiting, washing and winding time", which was seized on by the Heath government as a way out of its last confrontation with the National Union of Mineworkers.

It did not buy the miners off then, but the demand has appeared in successive wage claims and was granted in principle as part of the settlement in March, 1979, and the working party has now put a value on this hitherto unpaid time spent at the pit.

Hospital strikers go back to work

By John Roper
Health Services Correspondent

Charing Cross Hospital, London, should be working normally next week. Fifty-five unofficial strikers in the engineering department returned to work yesterday on a formula worked out at a meeting with the Advisory, Conciliation and Arbitration Service (Acas).

The hospital, crippled for five weeks, with up to 517 of its 793 beds empty, is reopening in a series of tiny steps. Yesterday walking casualties were being admitted to the accident department; and about half-a-dozen patients who had been sent to other hospitals because of the strike were admitted.

From today some of the 377 patients who have had to be added to the waiting list because of the strike will begin to be admitted; together with any out-patient whom doctors decide should be admitted.

Tomorrow or on Thursday the accident and emergency department will reopen to ambulance cases.

Under the agreed return-to-work formula the management accepted that one of the two men dismissed because of a refusal to replace a filter in an operating theatre, and who had not appealed within the agreed period, should be allowed to do so. He will now be paid until the appeal is heard.

The other man appealed early in the dispute and the hearing, by an area health authority panel, is due next Friday.

It was also agreed that there should be a joint commitment by management and the two unions concerned to try to resolve permanently the difficulties of workers in the engineering department of the hospital.

These meetings will have to find answers to three years of bickering about conditions and procedures which finally exploded with accusations of bloody-mindedness by trade unionists and unreasonableness or ineptitude by managers.

The strike made National Health Service history in that in its last week doctors and nurses forced unofficial pickets to withdraw, allowing tanker drivers to deliver to nearby empty oil tanks.

Teachers to press for 50% pay increase

By Diana Geddes
Education Correspondent

Teachers' leaders will be pressing for pay rises averaging nearly 50 per cent on present salary levels over the next nine months, it was made clear yesterday by the National Union of Teachers. That would raise the teachers' present average salary of £5,500 to more than £8,000.

The teachers have a claim before the Clegg commission on pay comparability for a 38.7 per cent increase in salary levels at March 31 this year. Since then they have had a 9 per cent increase, plus £6 a month on account, which brings the total Clegg claim to 29 per cent on present salaries.

Mr Fred Jarvis, general secretary of the NUT, said that he was confident that the commission would uphold the kind of claim the teachers were making. If they were awarded the full 38.7 per cent, the teachers would be seeking in next April's pay round to preserve their newly won position.

"It is obvious that we would not settle for 13 per cent when inflation has been running at over 17 per cet", Mr Jarvis said in reference to the normal Burnham pay negotiations, which are separate from the Clegg study.

If the teachers get what they are asking for they would receive a 13 per cent rise from January 1 (half the Clegg 9 per cent and £54 on account already paid); a further 17 per alredy pid); further 17 per cent or so from April 1 as their ordinary annual pay rise; and the rest of the Clegg award, amounting to 14.5 per cent, from September 1.

Mr Jarvis said that when they met the Clegg commission on Friday Professor Clegg had said that he was still not certain whether he could produce an interim report on teachers' pay before the first instalment fell due on January 1.

More Oxford places for inner London pupils

By Our Education Correspondent

Oxford colleges have decide[d] to set up a scheme wit[h] slightly lower than norma[l] requirements in A leve[l] grades, designed to encourag[e] more pupils from inner Lon[-]don comprehensive schools t[o] apply to the university t[o] study philosophy, politics an[d] economics (PPE).

It is the second scheme [of] the kind to have bee[n] arranged for inner Londo[n] pupils.

Last year five college[s], University, Magdalen, Lad[y] Margaret Hall, St Hilda's an[d] St Catherine's agreed to offe[r] places to science candidate[s] from inner London wh[o] achieved a B and two Cs at [A] level, instead of the norm[al] requirement of an A and tw[o] Bs.

Eight conditional offers wer[e] made last year for entry las[t] September. Seven candidate[s] achieved the minimum grade[s] required, and five of thos[e] achieved the higher standar[d] normally required of scienc[e] candidates.

The five colleges were [s]o pleased with the first year candidates that they hav[e] decided to extend the schem[e] and have made conditiona[l] offers this year to 10 pupils.

Dr Margery Ord, fellow [of] Lady Margaret Hall and coo[r]dinator of the science schem[e], said that A level results wer[e] not the only test of a pupil['s] potential.

The aim of the scheme wa[s] to draw the attention of [a] range of pupils who would no[t] otherwise apply to Oxford, an[d] who perhaps had had to co[n]tend with certain disadva[n]tages in their schooling.

Two of the science cand[i]dates who had been given co[n]ditional offers this year had n[o] A level physics classes at the[ir] school, and so were having t[o] teach themselves. It was n[ot] the quality of teaching th[at] was the difficulty in inne[r] London schools but the quan[-]tity, Dr Ord said.

Five colleges and hal[l], Corpus Christi, Keble, Man[s]field, Oriel and Somerville, a[re] participating in the PP[E] scheme, which will apply t[o] students starting courses i[n] September, 1981.

More Shell depots shut by dispute

By Our Labour Staff

Petrol supplies in parts of Britain are increasingly threatened after the dispute involving tanker drivers employed by Shell intensified yesterday.

Drivers at five more depots ceased work and 30 of Shell's 46 depots are now idle. The dispute is over the use of outside contractors to transport petrol.

Some petrol stations have had to close, supplies at others are low. Shell said yesterday that many garages are conserving their supplies by reducing opening hours and rationing customers to four gallons each.

The shortage will be serious by the end of this week. No attempts to end the dispute are planned after the failure of talks at the Advisory, Conciliation and Arbitration Service on Friday.

Most stations carry supplies for 10 days. Because the price rise of 2p a gallon, announced by Shell last week, had been anticipated, many garages took extra supplies.

Between 750 and 800 men are involved in the dispute, which centres on the Transport and General Workers' Union's claim that the company is trying to reduce the number of it drivers and replace them with contract labour.

Shell supplies just over a fifth of the petrol market. Large cities and particularly south-east England are likely to be the first areas to be affected.

Depots which closed yesterday were Shell Haven, in the Thames Estuary, Newport, Gwent, Falmouth, Portslade, and Poole.

Stewards call for mass BL lobby

By R. W. Shakespeare
Northern Industrial Correspondent

Shop stewards in the Midlands have called for a mass lobby by British Leyland workers tomorrow morning outside the Amalgamated Union of Engineering Workers' hall in Birmingham, where a three-man executive inquiry by the AUEW will be opened into the dismissal of the Communist convener, Mr Derek Robinson.

The joint shop stewards' committee from BL's Longbridge plant, where Mr Robinson was convener, are pressing for the union leadership to "vindicate him of all charges and press the company for his reinstatement".

The AUEW national executive undertook to set up the inquiry during crisis talks with the BL management when vehicle production was being crippled by strikes and consequent lay-offs over the dismissal of Mr Robinson and the disciplining of three other shop stewards.

The dismissal came after a statement by Sir Michael Edwardes, the BL chairman claiming that Mr Robinson was actively trying to undermine the company's recovery strategy despite an overwhelming shop floor vote in support.

The union inquiry, which will be conducted by Mr Gerry Russell, executive member for the North-west, Mr John Wheatley, Wales, and Mr Kenneth Cure, Midlands, is due to open at 9.30 am. The mass lobby has been called for 9 am.

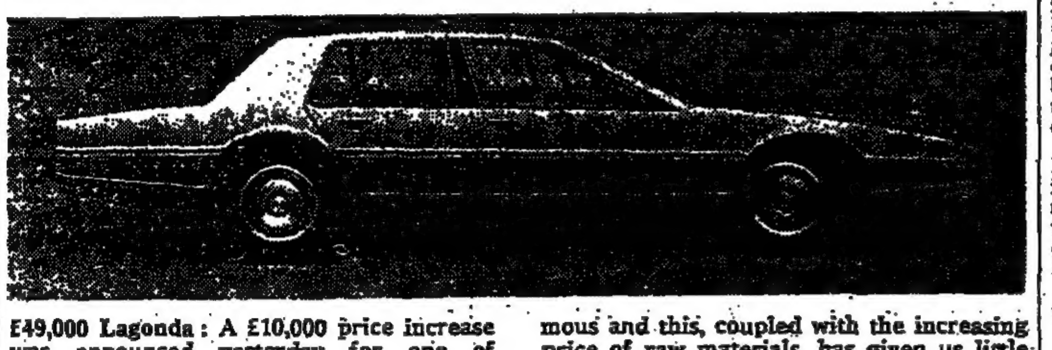
If enough workers attend, BL production will be affected. Losses during the stoppages over the Robinson affair have already amounted to more than £70m. of vehicles.

It was only yesterday that the assembly lines returned to full production with the recall of the last of the workers laid off. A few remaining workers still laid off from body-pressing plants at Swindon and Liverpool are due to be recalled tomorrow morning.

Day shift only: For the first time in 20 years car assembly at Cowley is to be limited to the day shift (Our Oxford Correspondent writes).

Austin Morris said yesterday that it planned to stop the Marina nigh shift in January, when 600 workers would switch to the day shift.

The Marina programme will be maintained at 2,500 cars a week, or 32 an hour, under the new plans.



£49,000 Lagonda: A £10,000 price increase was announced yesterday for one of Britain's most expensive cars, the Aston Martin Lagonda (above). The car now costs £49,933 and with a waiting list extending into 1982 many would-be owners face the prospect of further price rises (Our Motoring Correspondent writes).
Mr Alan Curtis, cochairman and managing director of Aston-Martin, said: "We realize this is a large increase, but it is unavoidable. Development costs have been enormous and this, coupled with the increasing price of raw materials, has given us little choice. There is no point in selling the car at a loss."
To reduce the waiting list Aston is planning to increase production from one car a fortnight to three a week in the middle of next year. A strikingly styled four-door saloon and at over 17 feet one of the largest cars made in Britain, the Lagonda was first seen at the London Motor Show in October, 1976.

Lords Bill decision under review

By Michael Hatfield

The Cabinet's determination to introduce the controversial local government Bill in the House of Lords appeared to be less inflexible last night after discussions between Government business managers and the Opposition.

Mr James Callaghan, Leader of the Opposition, last week threatened obstruction of all Government business unless there was a change of mind, but Mr Norman St John-Stevas, Leader of the House of Commons, said he was committed by a Cabinet decision.

The Cabinet is to reexamine the issue on Thursday after a meeting between Mr St John-Stevas, Mr Michael Jopling, the Government Chief Whip, Mr Michael Foot, Shadow Leader of the House, and Mr Michael Cocks, Opposition Chief Whip.

Mr St John-Stevas was told that the Opposition regarded the Bill as highly controversial, particularly as it involved financial matters.

The Bill is due to be presented to Parliament today.

Cash hitch for medical school

By Our Education Correspondent

A large new medical school at Newcastle University may stand unopened and unused for many years as a result of the Government's spending cuts, the university says in a statement issued yesterday.

A big programme of expansion in medical and dental education was under way at Newcastle upon Tyne. The Department of Health and Social Security had indicated that it wished that programme to continue, the university says. A new dental school had been opened two years ago, and the medical school was due to open in 1984.

On present indications it would be impossible either to equip or to staff the medical school, the university says. Yet the Government had committed £13.4m to the building of the school.

Although many uncertainties remained, it was clear that the public expenditure cuts would inevitably lead to a big contraction of teaching and research in many other areas of university life.

Dr Owen strongly opposes Labour anti-EEC group

By Fred Emery

Asserting that there can be no going back on Britain's EEC demands and certainly no backing out of the EEC, Dr David Owen, Foreign Secretary in the last government, last night called for all-party support against any Whitehall tendency to compromise.

In a speech to the Richmond Fabian Society, Dr Owen suggested a tough middle way, in which party political polarization would be averted and Mrs Thatcher encouraged to use the leverage which he claimed the Labour government had built up.

As a pro-Marketeer, Dr Owen, who now has the energy post in the Shadow Cabinet, is thus coming out strongly against the anti-Europe faction personified in his colleague, Mr Peter Shore, who is now shadow Foreign Secretary.

Just as Dr Owen insists that Labour's battles must be fought from the inside of the party, so he insists that the EEC fight must take place within. The British, he said, had never fully understood that EEC membership involves a continuous negotiation.

To the question why Britain had never negotiated "determinedly or unitedly enough", Dr Owen answered that it was not just the fault of politicians. He went on: "British diplomats appear to have a particularly marked tendency, as was first demonstrated in the 1930s, to split the difference, to conciliate and appease.

"This tendency is today most evident amongst some Eurocrats who have specialized in EEC matters, who have not only a long-standing European commitment but a certain disdain for the rough and tumble of politics."

Dr Owen complained that after he established "a more assertive, self-confident negotiating stance" in July, 1977, "Whitehall was always trying to soften the line, avoid a crunch, trade off fish, or give on North Sea oil. They are by nod and wink trying today to do the same to Mrs Thatcher's new toughness."

Students at polytechnic attack director decision

By Ian Bradley

The students' union of the Polytechnic of North London (PNL) has described as "totally unacceptable" the decision by a selection comittee to recommend only one name to the Court of Governors when it meets next week to decide on a new director for the polytechnic.

The committee, which met last Thursday to consider a list of eight candidates, decided to short-list only Dr David MacDowall, who is assistant director of the polytechnic with responsibility for academic planning.

That decision makes it virtually certain that the Court of Governors, which meets next Monday, will appoint Dr MacDowall as the successor to Mr Terence Miller, who is resigning next month.

Mr Miller's eight years as director have been marked by long and bitter clashes with left-wing students. In a recent interview with The Times he said that his successor would nee[d] "low cunning rather than [a] good brain".

Dr MacDowall was Master [of] University College, Durham until he was appointed assistan[t] director of NPL last Januar[y]. He is an expert on numismatic[s] and was assistant keeper of th[e] department of coins and meda[ls] at the British Museum fro[m] 1956 to 1960.

He has also been a princip[al] in the Department of Educatio[n] and Science and was assistan[t] secretary to the Universi[ty] Grants Committee from 1970 t[o] 1973.

Mr Christopher Crowle[y], vice-president of the PNL st[u]dents' union, said yesterday: "It is not just a question of ou[r] finding Dr MacDowall u[n]acceptable. The process b[y] which he was selected wa[s] totally undemocratic.

"It was effectively arrange[d] a year ago when he was brough[t] in as assistant director with n[o] experience at all of polytech[]nics."

'The Duke' found dead in hunt for drug gang

By Craig Seton

A man nicknamed "The Duke" and described by police as of prime importance in their hunt for the ringleaders in a large-scale drug smuggling operation has been found dead on a playing field in Hackney, east London.

The body of Colin Osborne, aged 50, of Wallington, Surrey, was discovered on Saturday night. A post-mortem examination revealed that he had died from natural causes. Scotland Yard is still investigating his death. It is believed to have been caused by a heart attack.

Hampshire police appealed for help in tracing Osborne after a customs officer was shot dead in east London in October while working with drugs squad policemen from the Hampshire force on an 18-month inquiry code named "Operation Wrecker".

Potholers' bodies found

The bodies of two potholers who died after being trapped in floods were strapped on stretchers and brought nearly half way out of the caves by rescuers last night.

The alarm was raised on Sunday when a party of five potholders failed to report back at the headquarters of the South Wales Caving Club, near Ystradgynlais.

A rescue team of club members went to the Ffynnon Ddu caves, above the Swansea valley, and were met by one of the potholers at the entrance.

Police named the three surviving potholers as Mr John Absolem, aged 31, of Oak Terrace, Ogmore Vale, Bridgend, Mid-Glamorgan; Mr Richard John Morgan, aged 33, of Church Terrace, Nant-y-Moel, Bridgend; and Mr Richard David Jones, aged 24, of East Street, Brynclydach, Rhondda Valley.

The dead men were from the Birmingham area.

TUC acts over 'Sunday Times' magazine dispute

By Our Labour Staff

Attempts are under way to resolve a dispute over a demarcation issue that resulted in the loss of about 300,000 copies of The Sunday Times colour magazine on Sunday.

The dispute occurred at Sun Printers, of Watford, where the magazine is printed, and did not affect the newspaper itself. The demarcation issue is between members of the National Society of Operative Printers, Graphical and Media Personnel and the Society of Graphical Allied Trades.

An official of Sun Printers said last night that attempts through the TUC print industries committee were being made to resolve the dispute with Natsopa.

Times Newspapers said last night that 1,548,000 copies of The Sunday Times had been printed, with sales of about 1,479,000 copies.

Seven Oxford students face charges

From Our Correspondent
Oxford

University police and college heads yesterday began investigations into an incident in Turl Street, Oxford, on Sunday night, when firemen were pelted with missiles by a large crowd after they had answered two hoax calls.

Police arrested seven undergraduates and charged them with offences under the Public Order Act.

Guests had to be evacuated while firemen checked a hoax call to the Mitre Hotel.

Railcard scheme extended

British Rail is to extend its half-price travel senior citizen railcards system from January 6 to take in a possible 700,000 more customers.

Sir Peter Parker, the chairman, said in London last night that the scheme is to include all those of state pension age.

Painters caught

Nine painters who were suspended after being caught sleeping on a factory night shift were dismissed yesterday. They were found at about 5 am one day last week by senior management at the factory of Coles Cranes, a Sunderland company which has won the Queen's Award to Industry four times.

Homes plan to let councils guarantee mortgages

By John Young
Planning Reporter

New moves to encourage home ownership, to be included in the forthcoming housing Bill, were outlined yesterday by Mr John Stanley, Minister for Housing and Construction.

The Bill will give new, comprehensive powers to local authorities to guarantee building society mortgages, he said. For the first time authorities will be able to take entire responsibility for a defaulting mortgagor where a building society wishes to release itself from the risks of a bad debt and a loss.

Mr Stanley, speaking at a conference in London organized by SHAC, the London Housing Aid Centre, made no reference to the imminent penal rates of mortgage interest. Instead he emphasized the advantages of shared ownership, whereby a house buyer purchases only a part of the equity, with the option of subsequently acquiring the balance.

"This provides a means whereby first-time buyers can get their feet on to the home ownership escalator, without raising major new implications for public expenditure," he said.

"We will put beyond legal doubt the right of existing shared owners to purchase the balance of the equity, where such a provision is in their contract of sale."

Whether selling to sitting tenants or improving properties for sale, both local authorities and housing associations will have the option of offering either outright or shared ownership. The same will apply to local authorities undertaking new building for sale.

Authorities will also be empowered to improve homes for sale as well as for rent. Where the cost of the improvement exceeds the resale value, the Government will contribute towards the shortfall.

Record £25,000 paid for a Russian icon

By Huon Mallalieu

The sale of icons at Sotheby's yesterday seems to have encouraged not only the auctioneers but also the dealers. Despite initial doubts about the ownership of a double-sided processional icon painted with the Mother of God of the Sign and St Nicholas, and dated Novgorod 1531, it was sold to van Rijn, a noted Dutch dealer, for £25,000 (estimate £15,000 to £20,000).

That was a record price for any Russian icon but a Byzantine example has reached £36,000.

An Italo-Cretan icon of the Birth of Christ went to a Lebanese dealer, possibly acting on behalf of a Greek buyer, at £23,000 (estimate £10,000 to £15,000).

A private buyer paid £0,500 for six scenes from the life of the Mother of God painted in miniature. They, too, came from Novgorod, dating from the early sixteenth century. The estimate was from £2,000 to £3,500. The price may reflect a new interest in the earlier schools and examples.

Sotheby's also sold Asian art and English and Continental glass, where 11 per cent of a total of £69,066 failed to find buyers.

The most notable lot in the former sale was a Pala black stone stele with the figure of a Nagarja, dating from between te tenth and the twelfth centuries; but with the face restored. It went to Eskenazi at £6,500 (estimate £5,000 to £6,000).

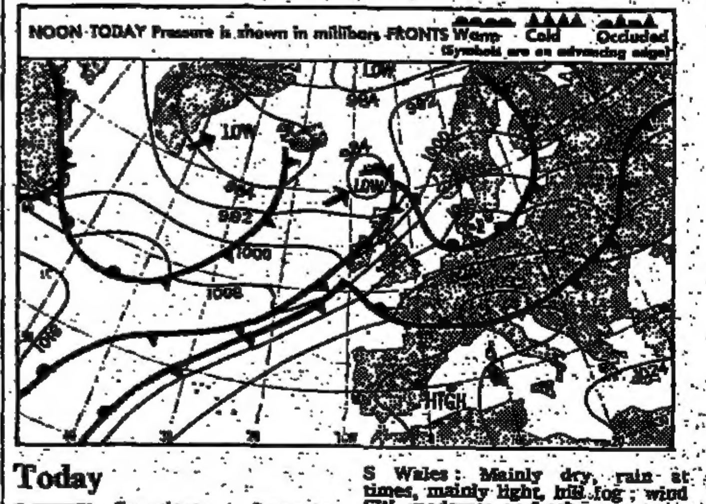
In theglass sale a private buyer paid £8,500 for an unrecorded triple-portrait goblet by Dominik Biemann, inscribed "Frazensbad 1849". It may show the children of the von Trautmansdorf family, or more probably those of Lieut-Colonel Henry Eyre, who visited the town in that year.

At Christie's a sale of Cntinental porcelain made a total of £264,030, with 17 per cent bought in. As in New York on Friday and Saturday, Meissen groups were popular, a crinoline group of lovers with a birdcage making £16,000 (estimate £10,000 to £12,000). It was modelled by J. J. Kandler.

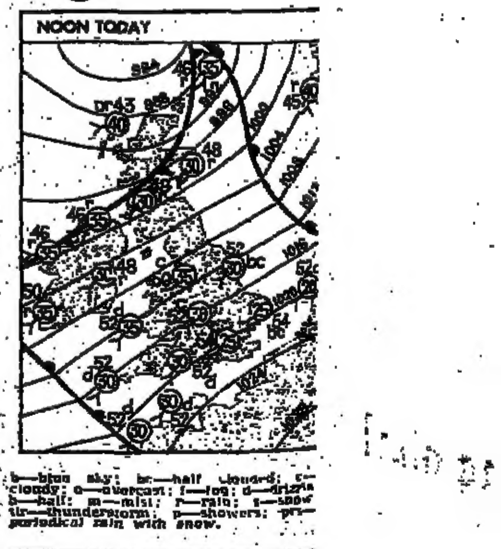
A record price of £8,000 was paid bu a London dealer for a thimble. It was a Meissen example of detail shape, painted with figures and harbour scenes on a yellow ground (estimated £1,200 to £1,500).

Weather forecast and recordings

NOON TODAY Pressure is shown in millibars FRONTS Warm Cold Occluded (Symbols are on advancing edge)



NOON TODAY



b—blue sky; bc—half clouded; c—cloudy; o—overcast; f—fog; d—drizzle; h—hail; m—mist; r—rain; s—snow; th—thunderstorm; p—showers; pr—periodical rain with snow.

Today

Sun rises: 7.47 am Sun sets: 3.54 pm
Moon sets: 8.0 am Moon rises: 5.4 pm
Last Quarter December 11.

Lighting up: 4.24 pm to 7.18 am.

High Water: London Bridge, 1.51 am, 7.2m (23.6ft); 2.6 pm, 7.1m (23.4ft). Avonmouth, 7.23 am, 13.5m (44.3ft); 7.47 pm, 13.5m (44.3ft). Dover, 10.55 am, 6.8m (22.2ft); 11.23 pm, 6.7m (22.1ft). Hull, 6.5 am, 7.4m (24.4ft); 6.29 pm, 7.5m (24.5ft). Liverpool, 11.21 am, 9.5m (31.1ft); 11.41 pm, 9.4m (30.8ft).

A cold front with a deepening wave will move slowly SE.

Area forecasts:

London, East Anglia, SE, central S England, E Midlands: Mainly dry, some bright or sunny intervals; wind SW, moderate or fresh; max temp 12° to 13°C (54° to 55°F).

W Midlands, E, central N England: Bright at first, becoming cloudy, some rain later; wind SW, moderate or fresh; max temp 10° to 11°C (50° to 52°F).

Channel Islands, SW England, S Wales: Mainly dry, rain at times, mainly light, hill fog; wind SW, moderate or fresh; max temp 12° to 13°C (54° to 55°F).

N Wales, NW England: Mostly cloudy, occasional rain; wind SW, fresh or strong; max temp 10° to 11°C (50° to 52°F).

Lake District, Isle of Man, SW Scotland, Argyll, N Ireland: Rain, heavy at times, clearing to bright periods but also blustery showers; wind S, veering W, fresh or strong, locally gale force at times; max temp 8° to 9°C (46° to 48°F).

NE England, Borders, Edinburgh, Dundee, Glasgow: Rather cloudy, rain at times, especially in afternoon; wind SW, veering W, fresh or strong, localy gavle force at times; max temp 8° to 9°C (46° to 48°F).

Central Highlands, NW Scotland: Rain clearing to bright periods but also wintry showers; wind S, veering W, strong or gale force; max temp 7° to 8°C (45° to 46°F).

Aberdeen, Moray Firth, NE Scotland, Orkney, Shetland: Becoming cloudy, rain, heavy at time, showery later; wind S, veering W, strong or gale force; max temp 7° to 8°C (45° to 46°F).

Outlook for tomorrow and Thursday: After some rain at first in the S most parts will hav[e] sunny intervals but also som[e] showers, chiefly in N; furth[er] rain may reach the SW later; temp near normal.

Yesterday

London: Temp: max, 6 am [to] 6 pm, 14°C (57°F); min, 6 p[m] to 6 am, 12°C (54°F). Humidit[y], 6 pm, 82 per cent. Rain, 24 h[r] to 6 pm, 0.1in. Sun, 24 hr [to] 6 pm, 3.4 hr. Bar, mean se[a] level, 6 pm, 1,022.9 milliba[rs], rising.
1,000 millibars=29.53in.

WEATHER REPORTS YESTERDAY MIDDAY: c, cloud; d, drizzle; f, fair; r, rain; s, sun.

		C	F			C	F			C	F			C	F
Akrotiri	f	19	66	Cardiff	s	11	52	Jersey	c	13	55	Nice	s	16	61
Algiers	s	18	64	Cologne	c	14	57	Lisbon	s	13	55	Oslo	r	3	37
Amsterdm	s	12	54	Copenhgn	r	10	50	Locarno	s	7	45	Paris	f	13	55
Athens	c	16	61	Dublin	r	11	52	London	s	13	55	Reykjavik	f	-1	30
Barcelona	s	15	59	Edinburgh	c	10	50	Luxembrg	s	9	48	Rome	s	17	63
Beirut	c	19	66	Florence	fog	6	43	Madrid	s	15	59	Ronldswy	r	11	52
Belfast	r	9	48	Funchal	f	21	70	Majorca	s	17	63	Stockholm	c	8	46
Berlin	c	12	54	Geneva	s	6	43	Malaga	c	13	55	Tel Aviv	s	22	72
Biarritz	s	17	63	Gibraltar	f	16	61	Malta	s	17	63	Venice	s	5	41
Birmngham	s	11	52	Guernsey	c	13	55	Manchestr	r	11	52	Vienna	s	10	50
Bristol	s	11	52	Helsinki	s	5	41	Moscow	s	4	39	Warsaw	s	9	48
Brussels	c	13	55	Innsbruck	s	[illegible]	[illegible]	Munich	s	14	57	Zurich	r	4	39
Budapest	f	10	50	Istanbul	s	15	59	Naples	f	15	59				

Overseas selling prices
Australia $1.50; Austria Sch [illegible]; Bahrain BD 0.600; Belgium B frs [illegible]; Canaries Pes 80; Cyprus [illegible] Mil; Denmark Dkr 4.75; Finland Fmk [illegible]; France Frs 4; Germany Dm 2.50; Greece Dr 48; Holland Gl 2.25; Iran Rials 110; Iraq ID 0.450; Irish Republic 20p; Italy L 900; Jordan JD 0.375; Kuwait KD 0.500; Lebanon L[] 4.00; Luxembourg Lf 25; Madeira Esc [illegible]; Malta 20c; Morocco Dir [illegible]; Norway Kr 5.00; Oman OR 0.[]; Pakistan Rps 9.00; Portugal Esc [illegible]; Qatar QR 6.00; Saudi Arabia SR [illegible]; Singapore $[illegible]; Spain Pes 75; Sweden Skr 5.00; Switzerland Sfrs 2.70; Syria LS 3.50; Tunisia Din 0.[]; USA [illegible]; Canada $1.80; UAE Dh 6.50; Yugoslavia Din 25.

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ndependence of 'TV4' ust be ensured, essure group says

enneth Gosling

e proposals to protect the endence of the fourth sion channel were published yesterday by a pressure composed of all the main al parties and five bodies nently associated with the sion industry.

Channel Four Group ed a strong attack at a n press conference on the endent Television Author- recently announced pro- for the channel, due to broadcasting in 1982.

group, which is seeking ting with Lady Plowden, an of the IBA, is opposed e authority's proposals ur members of the board e controlling company come from the independ- levision companies. That, ms, would give them a measure of control over tion and scheduling.

, it urges that Channel should not become an weapon in the ratings gainst the BBC; nor its programmes be d to those of independent on through complement- eduling and programme ns between the two ls.

lvocates the offer of 100 nt finance to programme ers in most cases, to pro- naller independent sup- and promote plurality.

other two proposals are e channel should begin itting only when poten- ogramme suppliers are and when there is ed and adequate fin- and that the channel's ndence from all other ls should be clearly uished by calling it .

ember of the group, Mr Whitehead, MP, who the Annan committee, considered the future of asting, described the proposals as "an ". They meant ITV2 by ck door, he said, and have a number of dis- consequences, includ- riously damaging the al for innovation w severe effects on the BBC if ITV1 was allowed to become much more popular, with all the serious programmes being put on ITV2.

Mr Michael Morris, MP, said that he could see the perpetuation of the advertising monopoly that had held British industry to ransome, particularly over the last five years, the rates rising by 30 per cent a year on a "take it or leave it" basis.

Mr Ian Rowland-Hill, general secretary of the Writers' Guild, said that more writers needed greater opportunities to get their ideas and scripts on to the screen in the way they were originally intended; there were fewer people between the writer and the screen when they worked for an independent producer.

East Midland's plea: The East Midlands region will make a final attempt tomorrow to persuade the IBA to designate it as a separate television region with its own commercial company (Arthur Osman writes from Nottingham).

Representatives of five county councils, Derbyshire, Leicestershire, Lincolnshire, Nottinghamshire and Northamptonshire, and Conservative and Labour MPs will meet Lady Plowden to discuss what they consider is an overwhelming case for the region to be served by a separate company.

The meeting will be the climax to a sustained campaign by the group, which believes "that the best interests of some four million people are not met by being served by a commercial television company (ATV) also covering the West Midlands and based in Birmingham".

It said: "The lack of studio or direct transmission facilities throughout the East Midlands is a matter of great concern. The money is here.

"Our attack has not been aimed at ATV. They have an almost impossible job and have ended up pleasing no one.

"The public meetings held in the region as part of the IBA's consultative programme on the new contracts have clearly shown dissatisfaction

New party may be formed by Unionists

From Christopher Thomas
Belfast

There is a prospect that a new Unionist party will be established in Northern Ireland after the Official Unionists' refusal to join the Government's proposed constitutional conference.

Open division exists over the issue although it is impossible to gauge yet whether it is sufficient to cause a split. But there is concern at grass roots level that the leadership appears to be moving increasingly towards an integrationist line.

Mr William Craig, former MP for Belfast, East, is threatening to resign if the party insists on boycotting the conference. He would not confirm last night that he might set up a new party, but said he might feel obliged to join a party firmly committed to restoration of a Stormont parliament.

He can claim considerable rank and file support, but is probably not in a position to mount a heavy offensive against his party.

Mr Craig, who was dislodged from Belfast, East at the last election by Mr Peter Robinson, said: "The possibility of a split must be real. I do not see how you can have in one party a section of the membership favouring integration ad another section pursuing devolution. It has got to make up its mind where it stands."

There is a growing feeling in Belfast that the Government's constitutional talks might begin with a "token" meeting at Stormont before Christmas. Today Mr John Hume, leader of the Social Democratic and Labour Party is to meet Mr Humphrey Atkins, Secretary of State for Northern Ireland, at Stormont.

Mr Hume is prepared to call an emergency meeting of the partys influential constituency representatives in the next day or two.

Police in Belfast were investigating last night the killing of a man shot in bed. A telephone caller claimed that the man, a Roman Catholic, was shot by the Ulster Freedom Fighters.

Children from Wells Primary School, Woodford Green, Essex, concentrating at the National Gallery yesterday on their answers in a Christmas quiz. Up to 12,000 children take part in *holiday events every year.*

At least 1,200 community projects in danger

By Ian Bradley

More than 1,200 projects to relieve urban deprivation are in danger of ending in 1981, according to research to be presented on Thursday by the National Council of Social Services.

The projects involved are those in the Traditional Urban Programme, which was begun in 1968 and continued by successive Conservative and Labour governments.

Under the programme, which applies to the "second division" of deprived urban areas in Britain, the Government provides threequarters and local authorities the rest of the cost of specific projects, nearly half of which are voluntary community initiatives.

Although the Government is continuing the programme and funding new projects, it has said that it will not continue to fund projects which end in 1981.

The only way those projects can be continued is if local authorities provide all the money.

Mr Robert Davies, development officer of the national said yesterday: "A large number of well-tried community initiatives are going to disappear in 1981. At a time of severe strain on local authorities the voluntary sector will be very vulnerable.

"We feel that the least a government committed to voluntary initiative cand do is to discuss the future of these projects with local authorities."

Mr Davies said that the London Borough of Brent had 17 projects which would expire in 1981. They included a day nursery, a neighbourhood law centre, a women's centre, a mobile citizens' advice bureau, a minibus and a voluntary work organizer.

Solo appeal

Ernie Wise, the comedian, is to make a solo television appearance at Christmas to broadcast an appeal on BBC 1 in aid of the £500,000 restoration fund for Peterborough Cathedral.

Judge upholds rights of mistresses

A divorce judge upheld mistresses' rights yesterday by ruling that a woman was entitled to financial credit for giving "the best years of her life" to her husband before they were married.

The woman, now divorced and seeking a lump sum payment from her former husband, should not be penalized because she spent most of their life together as his mistress, Mr Justice Wood said in the High Court Family Division. He awarded her £8,000.

The judge said he did not think his decision would do anything to undermine the institution of marriage.

"It will be said by some that to recognize the relationship which existed before marriage as relevant to financial redistribution is to encourage relationships outside marriage", he said. But occasions on which a court was likely to feel that justice required such recognition were likely to be few.

The judge had heard that the couple, who were not named, lived together for 25 years before they married in 1971. But as man and wife they stayed together for only four or five months.

The judge said that the woman, now 56, was "faithful, loving and hard working", and had given the best years of her life to her husband. He came to Britain as a Polish refugee during the war. They lived together from 1947, but because the husband was married in Poland and his divorce did not come through until years later, they had not married until 1971.

A few months after the marriage they separated and she divorced her husband last year after he had deserted her.

The husband, aged 68, opposing her application for money to help her to set up a new home, argued that the Matrimonial Causes Act, 1973, was aimed at ensuring justice between husband and wife, not man and mistress.

The judge said the woman had been devoted to her husband and their son and had worked hard, both maintaining the home and helping to build up the family engineering business.

Coal board buys mansion to aid mining plan

The National Coal Board has bought the eighteenth-century home of the Manvers family, Thoresby Hall, in the heart of Sherwood Forest, Nottinghamshire.

It bought the Gothic-style building and 15 acres of land for an undisclosed sum so that mining can continue from the Thoresby colliery, near by. Difficulties arose when it was found that extensions of underground workings planned from the pit would affect the structure of the hall.

Visitors can continue looking round the building for the next two years. The hall is being leased back to the Manvers Estate and the family will continue to live there.

vie dismissal 'not discussed'

Harold Thompson, chair- f the Football Associa- enied in the High Court ay that the FA was on ge of dismissing Mr Don when he quit as the d manager to go to the Arab Emirates.

denied discussing the al of Mr Revie with and added: "I do not hat if we were on the f sacking him we would ught him an exepsnsive r and things like that".

denied he had been to Mr Revie while Mr was manager or that he terfered with the selec- the England team. He iving evidence in Mr court challenge to the -year ban on his taking domestic football.

er, Mr David Coleman, evision sports presenter, vidence for Mr Revie, id: "My experience of vie, both as a personal friend and a man in his profession, was that he was always 100 per cent committed to whatever he was doing, whether it was his family life, his professional life or the games he played".

Mr Robert Johnson, QC, for the FA, asked Sir Harold if there had been an occasion when Mr Revie threatened to resign unless Sir Harold stopped interfering with the England team.

Sir Harold replied: "Not in my memory".

Sir Harold said the magnitude of the public's reaction to Mr Revie's resignation was enormous, "as much as if there had been an outbreak of war".

Asked to comment on his statement that Mr Revie had behaved badly, he said: "I believe that to be true, so did my colleagues in the FA, and so far as one could tell, so did nearly everybody in this country."

Mr Justice Cantley said it was his preliminary view that Mr Revie's action was "discourteous", and the same as if Mr Revie had read in the papers that Sir Harold had dismissed him.

Asked what effect the resignation had on the England team, Sir Harold said: "I think some, frankly, were glad that Mr Revie had gone."

He continued: "It was the unanimous view of the Commission (considering Mr Revie's action) that Mr Revie's behaviour had been deceitful." He and his FA colleagues had been fair to Mr Revie. "We did our utmost to ensure he could explain or justify his conduct", he said. "We tried to bend over backwards to be fair to him."

Sir Harold said that allegations that Mr Revie had tried to "fix" matches while in charge of Leeds were "a remarkable story which it would be very difficult to fabricate without an enormous imagination."

The hearing contines today.

tballer fined handling en TV set

Morley, aged 24, the Villa footballer, was fined y magistrates at Birming- esterday after he ad- handling a stolen tele- set worth £325.

Morley was arrested early lay by officers from the crimes squad, Mr n Roberts, for the prose- said. He was taken is home in Rosslyn Road, Coldfield, to Queen's police station in Aston made a full admission of t in the offence".

Roberts said the set was from a nursing home in irk, Lancashire, on Sep- 25.

Morley pleaded not guilty glary and the charge was sed when the prosecution l no evidence. For the ng offence he was also d to pay £30 costs. In- were being made in hire in connection with rglary and arrests were ed soon, Mr Roberts said.

d to recovery

h Castle, the heart trans- man, drove for the first to Papworth Hospital in idgeshire yesterday to ate the 108 days since his ion. He had been mak- e trip by bus.

Court told of scuffle over maggots in sandwich

From Our Correspondent
York

A lunch at a public house ended in a scuffle in the kitchen between a stockbroker and a director, magistrates at Selby, North Yorkshire, were told yesterday.

Double M Caterers of Regent Street, Barnsley, South Yorkshire, were fined £50, with £75 costs, for selling food that contained maggots.

Mr John Sliehg tholme, for the prosecution, said that Mr Jon Goldstone, aged 32, a stockbroker, of Verdure Avenue, Brooklands, Sale, Cheshire, stopped with his famil yand friends at the Cild Man Inn, near York.

Mrs Goldstone, he added, was breaking up a turkey and stuffing sandwich for her son, aged 18 months, when she saw something moving in it. Eight live maggots were found in the stuffing. Mr Goldstone called Mr Sydney Moor, the manager.

Mr Slighcholme said that at first Mr Moor, a director of the company, denied there were any maggots in the sandwich. Mr Goldstone followed him into the kitchen and there was a scuffle.

Mr John Dubbin, for the company, which pleaded guilty, claimed that Mr Goldstone had started the dispute in the kitchen. The chef inspected the remains of the sandwich with Mr Goldstone and they could not find any maggots.

Train protest ends in fine

From Our Correspondent
Exeter

A tour operator who had paid £27 for a first-class return ticket on the Penzance to Paddington express was so annoyed at bein gunable to find a seat on the train that he sat down in front of the engine at Exeter and delayed it for 10 minutes.

Yesterday magistrates at Exeter fined him £200 for obstructing an engine and £25 for obstructing the engine driver, and he must pay £30 costs.

The court was told that British Rail's conditions of sale had not guaranteed Barrie Percival a seat, and that he had refused to move when asked.

Mr Percival, aged 37, of Ashprington, near Totnes, pleaded not guilty and said he moved from the track as soon as he was asked. He said after the hearing that British Rail's first-class service was poor.

ife's lover admits being accessory after killing

Peter West, aged 38, a eeper, pleaded guilty at ans Crown Court, Hert- ire, yesterday to being cessory after the fact to illing of Mr Frederick an, said by his wife to ansvestite.

West, of Ivel Court, worth, Hertfordshire, and mistress, Mr Chapman's Margaret, aged 32, of ey, Letchworth, have both ed not guilty to murder.

Anthony McCowan, for the cution, told Mr Justice er and the jury yesterday e charges of assisting Mrs an to dispose of her hus- body and the bed and mattress where he was killed with a spade was put to Mr West at the request of the defence.

Mr McCowan continued: "In the submission of the prosecution, West knew of what was intended in advance, and was present at the time of the killing, and was the person who actually wielded the spade."

The accused were "an astute and imaginiative pair". Their first story had gone wrong. The second one, that Mrs Chapman had drugged her husband with sleeping tablets, then summoned Mr West, who wielded the spade, came out after the couple had been kept apart for some hours by the police.

The trial continues today.

Woman further remanded on secrets charge

Pamela Elizabeth Ann Lamble, aged 44, was further remanded until next Monday when she appeared at Bow Street Magistrates' Court, London yesterday on a charge under the Official Secrets Act.

Miss Lamble of Temple Dene Ovenue, Staines, Surrey, described as a student, was charged under section 1 of the Act that on November 22, within the inner London area, she attempted to communicate information to another person which might be useful, directly or indirectly, to an enemy.

The application for a remand in custody was made by acting Chief Supt R. Wilson, of the Special Branch.

HOME NEWS

Secret report 'says Government's immigration plans violate international human rights duties'

By Peter Evans
Home Affairs Correspondent

The disclosure of a secret report by the European Commission of Human Rights condemning British immigration policy is likely to provide maximum embarrassment to the Conservative Government during the debate today on its proposals for changes in immigration rules.

The disclosure is made by the Joint Council for the Welfare of Immigrants JCWI. It says the report makes clear beyond doubt "that the Government, which is in possession of the report, will be knowingly acting in violation of its international human rights obligations if its discriminates against the husbands of non-United Kingdom born women living in this country".

The history of the secrecy surrounding the findings goes back to December 14, 1973, when the commission adopted a report arising out of 31 applications lodged by East African Asians against the United Kingdom.

It as know nthat the report found a breach or breaches of the convention. But the nature of the violations and the legal reasoning of the commission has been unknown, because the report has never been published.

The Committee of Ministers of the Council of Europe, to which the report was submitted, did not send the report for decision by the Court of Human Rights, did not itself take action, and kept the report secret, the J C W I says.

A copy of the report has come into the possession of the J C W I which initiated many of the East African Asian complaints in early 1970.

The report finds it established that the Commonwealth Immigrants Act, 1968, had racial motives and that it covered a racial group, the joint council says. Provisions from the Act were carried forward into the Immigration Act, 1971, now on the statute book.

The report concludes that the Act discriminates against citizens of the United Kingdom and colonies who were of Asian origin on grounds of their colour and race. It notes that other elements of immigration law and regulations give preference to whites.

The J C W I adds: "It confirms its view that discrimination based on race could of itself amount to degrading treatment within the meaning of Article 3 of the convention and recalls that 'a special importance should be attached to discrimination based on race; that publicly to single out a group of persons for differential treatment on the basis of race might in certain circumstances constitute a special form of affront to human dignity'."

The council says that the report is of particular relevance to the Government's recent proposals by reason of a section which deals with the complaints of three men who were refused permission to join their wives in the United Kingdom.

The commission noted that the Commonwealth Immigrants Act, 1962, as amended, exempted from immigration control the wife of a Commonwealth citizen resident in the UK, while there was no corresponding provision for a husband wanting to join his wife.

The commission concludes that there was interference with the respect for family life, guaranteed by Article 8, because the Government prevented the reunion in the United Iingdom of a family who were all citizens of the United Kintdom and colonies.

"Still more significantly, the commission also considers there was a breach of Article 14, read in conjunction with Article 8, in that the Act "discriminated against male immigrants on the ground of their sex.'"

Ministers have admitted that the proposals uow to e introduced will discriminate on the ground of sex, the JCWI says. In that respect they will have the same effect as the provisions in the previous Act which led to a violation of the convention.

Whitehall brief: Mr Callaghan's secret bequest to Mrs Thatcher

Planning for a future nuclear deterrent

By Peter Hennessy

In two weeks' time Mrs Margaret Thatcher, the Prime Minister, will open discussions in Washington with President Carter with the aim of securing access to the most advanced American technology on submarine-launched strategic nuclear missiles. The Prime Minister hopes to have a squadron of five boats, complete with Trident missiles, capable, when on station, of lurking undetected between the thermal layers of the North Atlantic by the early 1990s.

All the indications are that Mrs Thatcher will get what she wants from the United States Government, at a price. When she rises in the Commons next month to announce her plan for sustaining the British nuclear deterrent well into the twenty-first century, a classic political row is inevitable.

Many Labour backbenchers will be vocal in their demands that the United Kingdom be the first nuclear power to relinquish its capability. The people to watch, however, will be on the Opposition front bench, particularly Mr James Callaghan, Mr Denis Healey and Dr David Owen. If they baulk at the cost in an era of expenditure cuts, or suggest a cheaper (and less effective) land-based or airborne system, it will represent one of those operations in hypocrisy that oppositions can so easily mount when their private intentions in Government remain concealed under thick layers of Whitehall secrecy.

For one of the most secret of all Mr Callaghan's Cabinet committees was that which he convened to consider the options for a third generation British nuclear deterrent.

In Mr Callaghan's judgement the matter was too delicate to put before the Cabinet's Defence and Overseas Policy Committee (DOP), upon which sat one or two sticklers who might have reminded him of the party's manifesto commitment in the October 1974 general election, which stated: "We have renounced any intention of moving to a new generation of strategic nuclear weapons."

Instead of taking it to the DOP, Mr Callaghan convened a small, ad hoc committee which did not even carry a Cabinet Office number in the "GEN" series, such was its secrecy. Those who met under Mr Callaghan's chairmanship at No. 10 were Mr. Denis Healey, then Chancellor of the Exchequer, Dr. David Owen, then Foreign Secretary, and Mr Frederick Mulley, then Secretary of State for Defence, working as a committee of four.

The history of this "committee of four", as it must be called in the absence of a proper title, spanned 15 months. In January, 1978, the Ministry of Defence and the Foreign and Commonwealth Office sought ministerial approval for the preparation of studies on possible successor systems to Polaris.

Two Civil Service working parties were established to prepare papers for the committee of four which would meet, from time to time, to consider them. The first, chaired by Sir Antony Duff, a Foreign Office deputy secretary, examined the political and military implications of a third generation nuclear deterrent. The second, a technical group under Professor Ronald Mason, chief scientific adviser to the Ministry of Defence, drew up a list of possible delivery systems.

By the time Parliament was dissolved, the committee of four had reached no firm conclusions but certain things had become clear. The intention was to proceed to a third generation despite the 1974 manifesto commitment. Mr Callaghan favoured it; so did Dr Owen. Mr Healey felt the same although, as Chancellor, he was worried about the cost. Mr Mulley was agnostic. As Secretary of State for Defence, he was institutionally in favour; intellectually he was against. The other item the committee resolved was the need for any Polaris replacement to be submarine borne.

The only visible sign of this highly secret ratiocination was the compromise wording on the deterrent that Mr Callaghan managed to insert into Labour's last election manifesto:

In 1974, we renounced any intention of moving towards the production of a new generation of nuclear weapons or a successor to the Polaris nuclear force; we reiterate our belief that this is the best course for Britain. But many great issues affecting our allies and the world are involved, and a new round of strategic arms limitation negotiations will soon begin. We think it is essential that there must be full and informed debate about these issues in the country before any decision is taken.

The incoming Conservative Government would have been told nothing about Mr Callaghan's committee of four under the Whitehall convention preserving the sanctity of former administrations' papers. What cannot have escaped Mrs Thatcher's attention, however, when she came to establish her own Cabinet committee on the nuclear deterrent (MISC 7, a larger and more broadly based group than Mr Callaghan's quartet) was the degree of detailed preparatory work that officials were swiftly able to place before it. What MISC 7 received were the Duff and Mason reports with new "tops and tails" added to distinguish them from the originals given to the committee of four.

It would be nice to think that Mr Callaghan, as part of the "full and informed debate" on the deterrent for which he will, doubtless, call, might come clean and tell the Commons, when the time comes, about the work of his secret group and the wider considerations that led him, so commendably, to put country above party in this case.

Notice give[n] to end pris[on] overtime agreement

By Our Home Affairs Correspondent

The hard-hit prison sy[stem] will be under even gr[eater] pressure in the new yea[r as] the result of a decision by [the] Prison Officers' Associatio[n to] give notice to end an over[time] agreement.

Under the agreement [uni]formed grades may be requ[ired] to work up to 10 hours' [over]time a week. The prisons [are] kept going only by the [extra] hours staff work.

In practice, uniformed [staff] work an average of 12 h[ours] overtime a week.

The May committee repo[rted] recently: "We have [been] troubled about the exten[t to] which the prison services [are] dependent on overtime wor[k] by uniformed grades."

Although the officers are anxious to work overtime [for] its own sake, they have bec[ome] dependent on it for hi[gher] wages. The May committee [found] that the median gross we[ekly] earnings of prison officers[, in]cluding overtime, was £1[...] compared with £88.2 for ma[nual] men aged 21 and over wor[king] full time, whose pay was [not] affected by absence. The fi[gure] for all men was £93.9.

The extent to which p[rison] officers rely on overtime [for] above average wage packe[ts is] shown by comparative fig[ures] excluding overtime: P[rison] officer £77.9; manual [men] £75.7; all men £82.8.

The effect of the endin[g of] the agreement will be tha[t the] Home Office can no lo[nger] treat overtime as "[com]pulsory". But negotiations [are] said to be proceeding with [the] Prison Officers' Associa[tion]. Some local governors are keen to work out deals [with] their men, as otherwise [there] could be chaos in arrangem[ents] for producing people in c[ourt].

It was officially estim[ated] that in England and Wal[es in] 1976 court and escort duti[es of] staff from local prisons [and] remand centres took about [...] million prison officer hours at an annual cost at prices of £6.8m.

The duties involve a lo[t of] overtime because of the [need] to match court hours and cause an establishment ma[ny] many miles away from [the] court it serves.

Of the two million man h[ours] it was estimated that 80[...] (or 15,500 a week) represe[nted] the overtime being worke[d by] local prison and remand ce[ntre] staff on escort and c[ourt] duties.

More pressure is likel[y to] result from a two-day co[nfer]ence of the Prison Offi[cers'] Association which begins t[...] in London.

Research 'shows black people are picked-on'

By Our Home Affairs Correspondent

Home Office research into race and crime "suggests that there may be good ground for the general suspicion that the police are prone to 'pick on' black people," the Commission for Racial Equality said yesterday.

"The fact that the very high arrest figures for blacks appear in street crimes where black people are identifiable tends to bear this out." The police had always maintained there was a lack of concrete evidence for the allegations that were made about racial bias in the police force.

The findings are in a bulletin of the Home Office research unit, which says that in 1975 arrests of blacks in the Metropolitan Police District constituted 40.4 per cent of all "suspected person" arrests and 37.1 per cent of all arrests for what is classified as "other violent theft".

The proportions for robbery (28.7 per cent) and assault (20.7 per cent) were next highest, and for all other indictable crime, arrests of blacks were 11.1 per cent of the total. Yet the proportion of blacks in the population in the Metropolitan Police District in 1975 was estimated to be 4.2 per cent.

"This population ratio gives an arrest rate for blacks for petty street thefts, for example, which is 15 times higher than that for whites.

"This is so much higher than might have been expected that it prompts the questions whether arrest figures accurately reflect the respective involvement of blacks and whites in criminal activity and, if not, whether the hypothesis that the suspicions of policemen bear disproportionately on blacks may account for some of the difference". But, the report says, no direct evidence is available.

Possible explanations of the high arrest rates of blacks observed may lie partly in their social circumstances. Black unemployment is given in the report as an example. Though it was apparently not directly related to black arrest rates, it was disproportionately high in all areas and of a different order of magnitude from white unemployment.

Explanations may lie also in a greater black propensity to engage in crime, particularly the least serious kind of street crime. The arrest figures point in that direction and victims' reports lend further credence to the possibility.

"Finally, they may lie in a greater impact on blacks than on whites of policing; support for this possibility lies in the fact that blacks are most heavily arrested for two kinds of offence in which there appears to be considerable scope for selective perception by police or potential or actual criminals.

"At the moment there are no data to test these possible explanations, let alone their weight relative to each other".

The bulletin article, on "race crime and arrests", was by Tom Rees, Philip Stevens and Carole F. Willis.

In a second article Carole Willis suggests that when data for police divisions are studied and typical areas such as city centres are left out of calculations, there is evidence that West Indians tend to live in areas with high recorded rates of robbery.

Winning touch: This photograph of Mrs Thatcher and her husband is one of 10 that won for Ian Torrance, of the *Scottish Daily Record*, the British Press photographer of the Year title and £1,000, in the Midland Bank British press pictures awards for 1979. He was also, for the second year running, Regional Press Photographer of the Year; was first in the News section; second in Sport, and second in Picture Essay. The last was won by Terry Fincher, of Photographers International,

Five men cleared of £1m bank fraud plot

Five men, one of them a Bank of England official, who were alleged to have joined a plot to defraud the Bank of more than £1m in dollar premium rebates, had their convictions quashed and jail sentences set aside by the Court of Appeal yesterday.

At the Central Criminal Court on June 23 last year John Martin Wales, aged 43, of Huntsmead Close, Chislehurst, Kent, a Bank of England manager, was jailed for four years for conspiring to obtain cash by deception.

Adrian Winston James, aged 34, a solicitor, of Cannon Hill Drive, Bray, Berkshire, was sentenced to nine months for furnishing false information for the purposes of the Exchange Control Act, 1947.

Reginald Thomas Atkins, aged 55, a businessman, of Tamworth Lane, Shirley, Birmingham, and John Stuart Robson, aged 51, of Towlyns Close, Hutton, Essex, were each jailed for two years for conspiring to obtain cash by deception. Leonard Basil Ash, aged 41, of Platt Lane, Normanton on the Wold, Nottingham, also got two years for conspiracy and forgery.

Mr Wales, Mr Atkins and Mr Robson had all been freed from jail on licence by the time of their appeal hearing. Mr James had already been freed on bail pending appeal, and Mr Ash was freed at the end of his appeal hearing in October, when the Court announced that his appeal would be allowed.

Lord Justice Lawton, giving judgment yesterday, said the Court of Appeal had had to interfere because of the unusual way Judge Buzzard summed up the case at the Central Criminal Court. After making general observations about the case as a whole, Judge Buzzard had summed up the case of each accused separately taking the jury's verdict in that case before starting to sum up against the next accused.

That had led to the jury having to spend three nights in an hotel, and counsel for all the accused had criticized the judge's approach.

Lord Justice Lawton said there had been no proper balance in the judge's treatment of Mr James, who had been subjected in the witness box to hostile, and unnecessary questioning by the judge.

The evidence against Mr Ash, he continued, was strong, but the trial judge's directions in his case had been inadequate.

The Crown case against Mr Wales was formidable, Lord Justice Lawton said, but Judge Buzzard's method of dividing his summing-up had unduly prejudiced Mr Wales's defence. The summing-up in relation to Mr Wales on corroboration had also been defective.

In Mr Robson's case, the trial judge quite wrongly directed the jury that the prosecution's case against him was supported by evidence given by a secretary.

Two other men jailed for their parts in the conspiracy were refused leave to appeal against their three-year sentences. They were Brian Turner Wooding, aged 55, a solicitor, of Petworth Road, Milford, Surrey, and John Sidney Barnes, aged 48, a company director, of Cliff Drive, Canford Cliffs, Poole, Dorset.

Law Report, page 15

Hunt for soldie[r] called off

The Army and police called off their search in Yorkshire Dales for Tro[oper] Colin Jones, of Red Hall G[...] Leeds.

Trooper Jones, aged [...] disappeared a week ago du[ring] severe storms while on exercise to qualify as a v[olun]teer for the Special Air Ser[vice] Regiment. His rifle, s[...] clothing and other equip[ment] were found on a river bank [and] it is believed he was s[wept] away by flood water.

Ferries price war 'remote'

By Michael Baily
Shipping Correspondent

Prospects of a price war among cross-Channel ferries next year were "remote", in spite of a large increase in capacity and the breakdown of the pooling agreement between operators, Mr Keith Wickenden, chairman of European Ferries, said in London yesterday.

Largely because of three big new ferries for his own company, Townsend Thoresen, capacity across the Channel would be about a fifth more while traffic was unlikely to rise by more than a tenth.

On fares, however, there were likely to be more special offers in the off peak period rather than cuts in the peak summer rates, which might actually rise, Mr Wickenden said.

Travellers will benefit, however, from faster and more comfortable ships next year

Equal pay case settled out of court

A case under the Equal Pay Act, 1970, against the British Medical Association was settled out of court yesterday.

Mrs Patricia Everott, secretary to the association's central committee on community medicine, filed an application against her employers in September, 1978, after the secretaries of the three other association committees, all men, were promoted to the assistant secretary grade and she was left at the executive secretary grade.

Two months ago Mrs Everett was made an assistant secretary and yesterday she withdrew her application to the industrial tribunal at Woburn Place, London.

Caravans must go

Mr Michael Heseltine, Secretary of State for the Environment, has upheld an order by the Lake District Special Planning Board that caravans at Lord Kagan's Ullswater home, Eusemere, must be moved. The caravans have been used by employees and guests of Thomas Casson and Brothers, of Gannex Mills, Elland, West Yorkshire.

Judge gives warning after freeing man who suffocated his dying mother

From Our Correspondent
Cardiff

A distraught man suffocated his mother, who was dying from cancer, Mr Justice Watkins VC, wa stold at Cardiff Crown Court Court yesterday.

Keith Malcolm Jones, aged 29, a post office engineer, of Wyndham Road, Cardiff, had his plea of not guilty to murder but guilty to manslaughter accepted by Sir Alun Talfan Davies, QC, for the prosecution. Sir Alun said Mr Jone's conduct flowed from a state of anxiety, despondency, and despair.

Mr Jones had already seen his father die a painful death from cancer, and at the time of his mother's death was suffering, a medical report stated, from an abnormality of mind which impaired his responsibility.

In a statement to the police Mr Jones had described how he went to his mother's bedroom on January 9. He had said: "It was constantly on my mind before I did what I did . . . I spoke to my mother, and asked her for the second time if she wanted me to end it for her. She nodded, 'yes'. I was not sure she understood my question, but I am sure in my own mind it was the humane thing to do.

"I told my wife what I was going to do. She said she would stand by me. I suffocated my mother with one of the pillows on which she was lying". He had no regrets and had do[ne it] for his mother's sake.

Mr Douglas Draycott, QC [for] the defence, said that w[hen] Mr Jones learnt that [his] mother had cancer, he al[so] suffered a nervous collapse[. He] had gently ended his moth[er's] life and used minim[um] strength to do it.

Giving Mr Jones a co[ndi]tional discharge, Mr Ju[stice] Watkins said he would not [want] it to be thought that he condoned killing in any [cir]cumstances.

He extended mercy to Jones because of the unu[sual] coincidence of the illness[es of] both his father and mother[, and] the burden and strain to w[hich] he had been subjected.

Adding to the hazards of Scottish air travel

Regional report

Ronald Faux
Edinburgh

There are plenty of natural hazards at the small airports dotted about the Scottish islands and Highlands. Sheep are shepherded away from the landing fields in the Orkney Islands when an aircraft is due and in summertime propeller tips scythe concave grooves in the tall grass.

The tide floods twice a day across the cockle strand at Barra, on the tip of the Hebrides, dictating the daily schedules from Glasgow and Stornoway.

A story goes that the airport manager advised an approaching aircraft: "The wind is 195 degrees strength two, and the water is halfway up the gulls' legs".

Burrowing rabbits have given the airfield at Colonsay the texture of a Gruyère cheese and two atrocious summers have made the airstrip on Hoy waterlogged and unusable.

To the hazards provided by nature have been added a government policy that could prove more damaging than the combined ravages of rabbits, tide and torrential rain. The Government, in its dislike of lame ducks and of unprofitable organizations, is insisting that the Civil Aviation Authority and the British Airports Authority should not lose money.

The difficulty that creates for the small, socially vital air services providing a swift link between remote communities and the nearest town or city is that the airports from which they operate are about to become for more expensive to land on and remain in.

In Orkney, for example, Loganair has developed a network of scheduled flights to nine of the islands, which replaces sea voyages lasting several hours with flights of a few minutes. Tourists, peripatetic teachers, veterinary surgeons, doctors, ambulance cases and schoolchildren are whisked between the islands and Kirkwall, capital of Orkney, on daily flights rarely interrupted by bad weather.

The Orkney service has been so successful that for two years it has run without subsidy. A similar pattern of flights in Shetland recently turned in a profit. The Western Isles Council supports the company's flights between Stornoway, Benbecula and Barra, and aid for certain other routes comes from the Highland Regional Council and the Scottish Development Department.

In all, Loganair flies 700 schedules a week in Scotland, mostly without subsidy.

"We shall be the worst hit and we are extremely worried about the effects of this new policy on services that have proved vital to the remote areas and keep some islands breathing", Mr Scott Grier, the company's financial director, said.

Last year there was an overall growth of 17 per cent in the number of passengers, but now landing fees at Aberdeen, Edinburgh and Glasgow are to rise substantially. In addition, local authorities have sharply increased the rates bill at some airports and the price of fuel has risen disproportionately.

"Costs could increase by several hundred per cent and the domestic airlines are being frightened to death. The man in the street cannot understand what is happening, particularly when he sees Laker slashing the fares to America and Europe", Mr Grier added.

In fact, from yesterday it became more expensive to fly from London to Shetland than from London to New York.

Loganair is attempting to ease the hardship caused by the increase on its small, price-sensitive services by offering "promotional" fares to the visiting friends and relative[s of] islanders and allowing [the] heaviest burden to fall [on] businessmen.

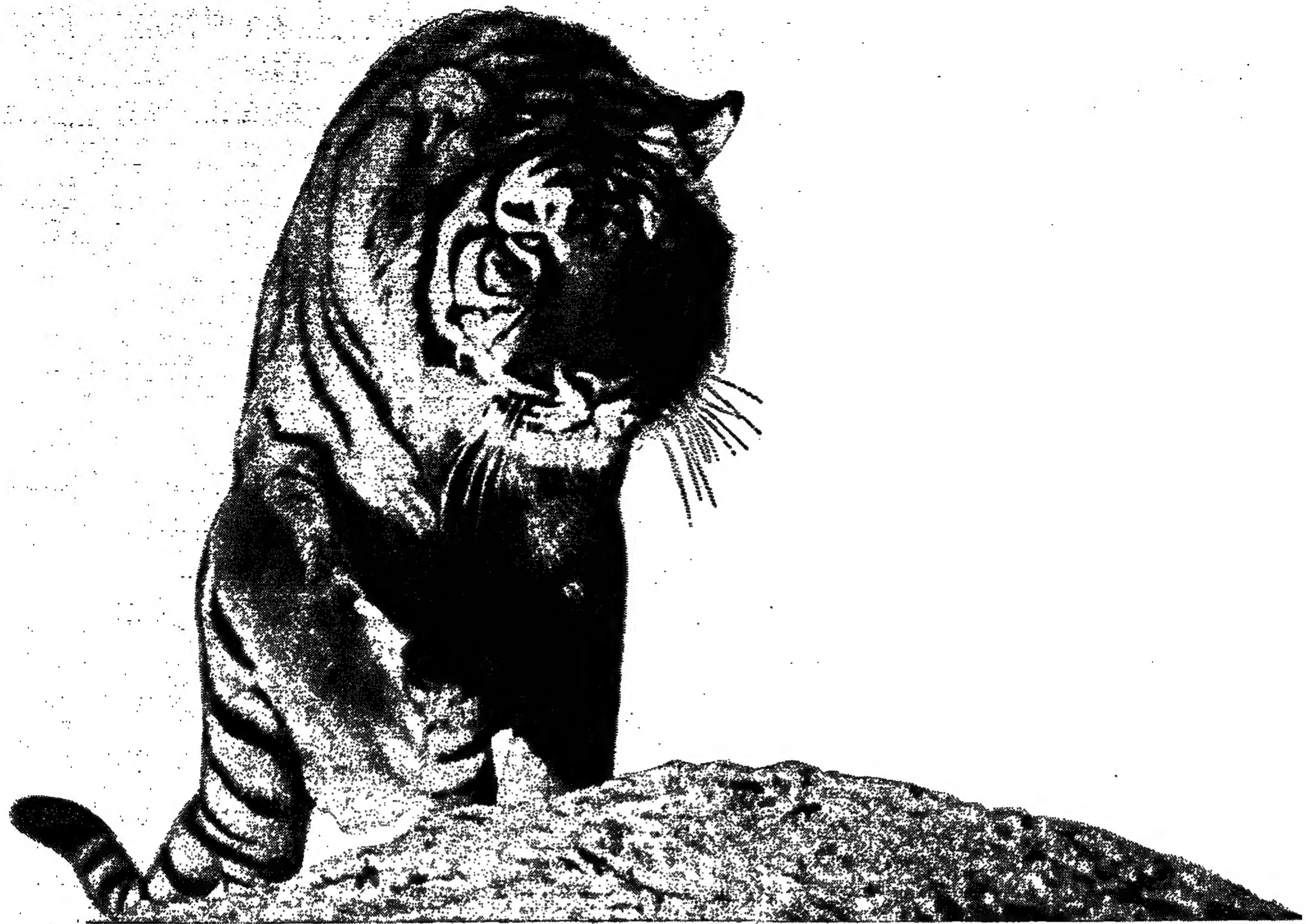
The Civil Aviation Auth[ority] likewise aims to put the hig[hest] increases on that part of [the] market best able to pay, [the] North Sea oil industry. [Landing] fees for an S61 helicopter, [the] type that services the oil [plat]forms, will rise to £260 a l[and]ing.

Meanwhile, some l[ocal] authorities are pushing up t[he] rate charges on airports [so] steeply that in the case [of] Kirkwall the extra lan[ding] charges will be immedia[tely] swallowed up by the dema[nds] from the council.

Local authorities expec[t a] social service, but inevit[ably] the costs will richocet down [the] line and come to rest in the [pockets] of the passengers.

The company has conside[red] avoiding the CAA increases [by] reopening the old military [air]field at Hatston, which is cl[oser] to Kirkwall than the pre[sent] airport and is now used to g[raze] cattle. But the present [situa]tion, where everyone cha[rges] everyone else increa[sing] amounts of money, can [only] mean fewer flights and [un]economic operation.

The fear must be that in [the] long term there could b[e a] return to the days when [the] island flights were underta[ken] only by seagulls.



This old cat has learnt some new tricks.

Esso are pulling out all the stops to find new sources of oil and gas.

We've built artificial islands to drill off shore in the Arctic.

We've had to invest in an 800-mile pipeline across Alaska to an ice-free port.

We've had to build stronger, taller rigs to work in deeper water in the North Sea.

Esso went into the coal business more than a decade ago, and since then we have been developing new technologies for converting coal into liquid fuels.

We have developed an advanced catalytic process for converting coal into synthetic gas.

We have intensified our programme for extracting oil from tar sands, the technology for which we developed in the Fifties.

Ten years ago we went into the nuclear energy business.

We pioneered laser techniques for enriching uranium.

In solar energy we are leaders in the area of photovoltaics, important for communications in the Third World, in navigation and in signalling.

Given time we're optimistic about our ability to develop new technologies to help solve the world's energy problems.

And do you know what encourages us most about putting our cat through the hoop and teaching it new tricks?

Its uncanny knack of always landing on its feet.

Esso The world's leading energy company.

WEST EUROPE

Leaders of the Portuguese Democratic Alliance, Senhor Freitas do Amaral, left, Senhor Francisco sa Carneiro and Senhor Ribeiro Teles, at a press conference in Lisbon yesterday after their election victory.

Portugal's new rulers propose policy reforms

Lisbon, Dec 3.—The platform of the four-party Democratic Alliance of the centre right which gained control of Parliament in the Portuguese election today, calls for reforms in constitutional, economic and social matters, as well as in foreign policy.

The main points include the creation of a market-based economy similar to that of the EEC countries, improvement in the standard of living, decentralization of government and revision of the constitution.

It also calls for complete participation in Nato and integration into the EEC through development of regular, formal contacts with its members.

Other economic proposals call for the creation of jobs, tax cuts and a reduction in the cost of living.

In social matters, the Democratic Alliance proposes to promote equality and to improve public services in education, health and housing.

The proposed constitutional revision could not be undertaken before next year's general election, and might include the use of a referendum.

On national defence and foreign policy, the Alliance calls for making the armed forces answerable to the civil Government, and for the defence of peace and international justice in the causes of liberty, democracy and human rights.

The Democratic Alliance comprises the Social Democratic Party or Dr Francisco Sa Carneiro, who is the dominant leader of the Alliance, the Christian Social-Democrats of Senhor Diogo Freitas do Amaral, the small popular Monarchist Party, of Senhor Goncalo Ribeiro Telles and the Reform Movement, which was not represented in the former Parliament.

The victory of the Alliance was heralded by the right-wing press as a "change of society."

"Never have so many Portuguese said 'no' to socialism," said the newspaper O Dia in a headline.

The new Government, to be formed after the new Assembly meets in the middle of the month, faces a difficult term because of the Alliance's narrow majority and the opposition of Dr Sa Carneiro to President Ramalho Eanes.

The Alliance will be confronted with a politically reinforced opposition because of Communist gain of seven seats. However, the victory of the Alliance in the south—especially in Alentejo, considered a leftist stronghold—and the collapse of the Socialist Party, indicate a trend to the right.—Agence France-Presse.

Bernard Levin, page 12
Leading article, page 13

Sharp SPD attack on Herr Strauss

From Patricia Clough
Berlin, Dec 3

Herr Willy Brandt, chairman of the Social Democratic Party (SPD), today launched a blistering attack on Herr Franz Josef Strauss, telling West Germans that they would lose the hard wonc onfidence of the world if he became Chancellor.

He said a victory for Herr Strauss in next year's Bundestag elections would mean fear in Germany, fear for Germany and fear of Germany. It would be a political gamble, "in which we Germans have much to lose and nothing to win".

Herr Brandt was speaking at Social Democratic congress here in which the party will be preparing for one of the most important election campaigns since the war, the contest between Herr Schmidt and Herr Strauss.

For all the strong antagonism towards Herr Stauss in the SPD, Herr Brandt's attack was exceptionally sharp. The opposition candidate was, "a zealot without a faith, a missionary without a mission." He was at the same time domineering and rebellious against moderation, reason and tolerance.
energy made him the symbol of a ruthless "elbow society".

Herr Brandt said Herr Strauss would plunge West Germany back into the conditions of the pre-war Weimar Republic when division and strife led to the collapse of democracy

At stake in the election was the confidence that the world now had in West Germany. "This confidence, which we have built up with much effort, is our capital. We must not squander it. Germany cannot afford Strauss instead of Schmidt".

Herr Brandt made much of fear among many West Germans, not only of Herr Strauss but of the future, the uncertainties of the world situation, the energy crisis, Iran, and of an increasingly anonymous society.

The slogan of the congress is "security—and also certainty—in the 80s".

All over the country posters depict Social Democratic Ministers as confident, experienced and reliable. Herr Schmidt, for insance, is shown in absolute command at the helm of his yacht.

The message of the posters and from congress is one of reassurance.

Jogger shot dead

Brussels, Dec 2.—A Belgian gamekeeper, Herman Dhainaut, who shot and killed a jogger, Michael Waroquier, aged 33, as he was passing through a wood near Mons told police that the jogging was frightening the game. The gamekeeper is now in prison.

Dilemma for Britain in EEC budget threat

From Michael Hornsby
Brussels, Dec 3

The threat by the European Parliament, strongly backed by British Conservative MPs in the Assembly, to throw out the EEC's draft budget for 1980 is facing the British Government with a delicate dilemma.

One effedt of such action, according to senior officials at the European Commission, would be to rule out any possibility of funds being found to reduce Britain's big net contribution to the Community budget next year along the lines demanded by Mrs Thatcher.

At last week's summit meeting in Dublin the Prime Minister failed to get her EEC colleagues to agree to a cut of £1,000m in Britain's budget deficit. But the Commission was asked to continue on proposals for increasing spending from the budget in Britain.

If the draft of the 1980 budget were to be rejected by the Parliament when it meets next week in Strasbourg, the Commission would then have to use an emergency procedure whereby it is permitted to dole out on a month-by-month basis exactly one-twelfth of the previous year's expenditure.

Provisional estimates suggest that this would mean that the Commission could only pay out about £780m a month next year instead of some £835m in the draft of the budget as it now stands. That would imply a shortfall over the whole year of £660m.

It will be difficult enough anyway to meet the British demands because the amount by which the overall sie of the budget can be increased is limited by the imminent exhaustion of revenue sources. The best estimate in Brussels is that the budget can only be increased by another £1,600m or so.

At that point further expansion of budget revenue will come up against the limit of 1 per cent on the portion of value added tax which member states are obliged to hand over to Brussels to finance expenditure on Community policies.

The Heads of government agreed in Dublin that any budget help for Britain must stay within the 1 per cent limit. There is, in any case, great reluctance among some member states, including B2itain, to raise the limit until there is clear progress towards a reordering of he Community's spending priorities, with less money going on agriculture.

If expenditure were held next year to the same level as this, it would thus appear to mean that financial relief on the scale being demanded by Britain could only be achieved by a severe cut in agricultural spending , which consumes 75 per cent of the total budget. It would be impossible to get agreement on that in the time scale envisaged by Mrs Thatcher.

Yet, while there would be short-term problems for Britain if the Parliament did reject the budget, there is a strong British national case for encouraging the Parliament to seek more control over Community spending

In order to throw out the budget ,the Parliament needs a two-thirds majority of all votes cast and a simple majority of the total membership of the Assembly.

WEU clash on arms purchases

From Our Own Correspondent
Paris, Dec 3

The Western European Union Assembly, the only European assembly with responsibilities in the field of defence, had plenty of matters to get its teeth into when it opened here today.

They include the proposal to modernize Nato nuclear arms in response to developments by the Warsaw Pact; the Salt 2 agreements and their impact on European security; and the situation in the Middle East, the subject of a powerful report by Sir Frederic Bennett (Britain: Conservative).

When it came to that hardy anual, the organization and streamlining of European arms purchases and production, the delegates could be expected to provide the usual confrontation between "Atlanticists" and what might be called "European nationalists".

Some fireworks were bound to be caused by the adoption of the defense committee's report on this subject while most of the French members were absent, detained by the debate in the French National Assembly on the defence estimates. The report, written by Mr Karl Heinz (Luxembourg, Liberal) came in for some sharp French criticism.

M Jacques Baumel, a Gaullist deputy did not beat about the bush. He said that its recommendation for the creation of a "market of defense materials covering the whole of the alliance" showed the ultimate objective of the text. "In such a conception, there would no longer be a proper European solidarity. . . . One would, in the event of a unification of the Atlantic armaments market, witness a distribution of tasks which must inevitably confine European industries to the role of subcontractors and producers of low technology equipment."

Conciliatory tone on fish adopted by Mr Walker

From Our Own Correspondent
Brussels, Dec 3

A conciliatory note was struck here today by Mr Peter Walker, the Minister of Agriculture ,at the opening of a meeting with his counterparts from other EEC member states to discuss the establishment of a new common policy on fishing rights.

The meeting had been awaited with some interest as the first test of Britain's attitude towards EEC negotiations after the failure of last week's "summit" meeting in Dublin to give Mrs Thatcher the £1,000m cut the Prime Minister wqnted in Britain's net contribution to the Community budget.

Mr Walker told journalists that his aim now as before Dublin was the setting-up of a common policy that would "sensibly conserve the fishing stocks of Europe and deal with the fishing requirements of member states".

Mr Walker said that he was pleased with the bilateral talks he had over recent weeks with most of his Community partners. He believed that "with hard work over the coming months" one of the Community's achievements next year could be a new fisheries policy.

Despite his conciliatory tone, however, Mr Walker made clear that Britain's basic demands remained "in no way different" from those put by the previous Labour Government. These include a lion's share for British fishermen between 12 and 50 miles from the British coast and exclusive rights within 12 miles.

Strike curtails Spain's weather service

From Our Correspondent
Madrid, Dec 3

Employees of Spain's meteorological service went on strike today but those involved in "minimum essential services" for safety and national defence were ordered by the government to remain on duty. Government to remain on duty.

Skeleton crews furnished essential weather reports at four principal airports after the 48-hour strike began at 7 am.

Their union warns that unless the demands are met a strike of indefinite length will follow.

Senator accuses French television of subservience

From Charles Hargrove
Paris, Dec 3

Senator Henri Caillavet, the expert of the Upper House on radio and television, has mounted his charger again to battle against the windmills of the former ORTF, the French broadcasting organization, split in 1974 into four autonomous—but not, their critics say, independent—companies.

The fact is that neither under the sway of the centralized ORTF, nor since its break-up, have viewers had access to programmes of a variety and quality comparable, the experts readily admit, with those of the BBC and ITA.

But they maintain that the setting up of an independent channel would be a cure worse than the disease, instead of an incentive to productive competition.

The recent spate of "scandals", whether over Emperor Bokassa's diamonds, or the suicide of M Robert Boulin, and the President's own television interview last week by a group of rather tame journalists (by British standards at least) has revived the debate whether—as the left maintains—the Government's control of television is even more complete than under General de Gaulle, but more subtle in its methods.

The accusation is that none of the television channels took up "hot potatoes" like the diamonds affair until the press had provided an ample excuse for doing so.

The burden of M Caillavet's criticism in his report to the Senate which came up for discussion today, is that French television programmes are only "lukewarm water with a timid dash of colour", that political broadcasts are flat and lenitive, that advertising is gaining more and more ground, and that there prevails in several channels a form of stardom and old-boy relationship which is detrimental to information.

"People tune in to Gicquel or Morousi or Duhamel (the most popular commentators) when they should be taking an interest in news. By dint of subservience to the Government, political information loses its consistency and weight from day to day."

Neither on the first nor the second television channels "is there a programmes policy inspired by an overall view of all the cultural possibilities". The third channel, in M Caillavet's view is the only one inspired by a unity of will, and of clear and simple choices. On this channel, programmes have made a genuine regionalization possible. He singled out for special praise its late night news broadcast, which gave complete reviews of events "in spite of the derisive means at its disposal".

Although advertising is, in theory, strictly limited, the Radical Socialist senator describes it as a "deep seated evil". In addition to the advertising of products, which is open and limited to certain time spans, he says, there is an indirect and insidious form of editorial publicity which takes the form of promotion of so-called "cultural" products.

"There is no doubt", according to the report, "that the composition of programmes is often dependent on outside interests, which, at the limit can undermine the independence of the television companies, in which there is a climate of string pulling, notably under pressure of entertainers (film producers, theatre directors, record makers among others)."

M Caillavet notes that between January 1, 1978 and April 3, 1979, intensive editorial publicity was carrild on the three channels for 88 books by 74 permanent staff members. Three broadcasts advertised a commercial film produced by M Guy Lux, one of the top television entertainers. Some variety programmes have virtually been turned into the preserves of a few privileged producers.

His remedy is to change people around, at all levels. The firectors of the three channels should be elected by their boards, not appointed by the Government, as at present and their term of office should be longer. At all events, he concludes, something must be done to arrest the noticeable drop in viewers.

OVERSEAS

Mr Kennedy breaks ranks with attack on Shah as President prepares to announce candidacy

From Patrick Brogan
Washington, Dec 3

President Carter will formally announce tomorrow that he is a candidate for reelection next year. The original plan was for the President to make a fighting speech at a fund-raising dinner and then to set off on a tour of half a dozen states, getting his campaign off to a rousing start.

This was thought necessary because of his low standing in the opinion polls. Evens in Iran have spoilt his plans, but have helped him politically He has had to cancel al his out-of-town engagements since the American Embassy in Tehran was seized a month ago, and has abandoned his tour of the country.

The advantage to the President has been the eclipse of Senator Edward Kennedy's active campaign, which has been on the inside pages of newspapers while all attention has been concentrated on the President.

Furthermore, the President has won considerable approval for his handling of the crisis so far. His rivals, Democratic and Republican, have been forced to rally round the flag, and to proclaim their support for him.

The announcement of the President's candidacy will be followed by a series of "house parties" to raise money in every state in the Union. As in 1976, Mr Carter is concentrating on the early caucus and primary states to begin with, notably Iowa, where his people profess guarded optimism.

Iowa begins choosing delegates to a state convention, which will in turn choose delegates to the Democratic National Convention, in caucuses held across the state on January 21. Mr Carter's victory in 1976 began in the snows of Iowa and he hopes to repeat the achievement this time. The first regular primary, on February 27, will be in New Hampshire.

Senator Kennedy has already discovered that there is no strong national move to draft him for the Democratic nomination.

Like other candidates, he has avoided rocking the boat on Iran up unti lnow, but yesterday, in San Francisco, he offered a severe criticism of the Shah in a statement that by implication criticized Mr Carter and his predecessors.

The senator claimed that the Shah "ran one of the most violent regimes in the history of mankind, in the form of terrorism and the basic fundamental violations of human rights in the most crucial circumstances to his own people."

He asked rhetorically: "How do we justify the United States on the one hand accepting that individual because he would like to come here and stay here with his umpteen billions of dollars that he's stolen from Iran, and at the same time say to Hispanics who are here illegally that they have to wait nine years to bring their children to this country?"

Mr Kennedy was here criticizing policies followed by every president since Roosevelt, including his brother and Mr Carter. The most conspicuous recent defenders of the Shah, of course, were the Republican presidents, Mr Nixon and Mr Ford, and their Secretary of State, Dr Henry Kissinger.

Calls in US for Shah to face martyrdom

From Michael Leapman
New York, Dec 3

A notion gaining groun here as the Tehran embass hostage crisis drags on is tha the Shah could end it ar stroke by voluntarily returnin to Iran as a martyr. On froda The New York Times printed letter from a reader in Clev land, Ohio which became th subject of comment on rad and television.

It began: "The Shah of Ira has a golden opportunity redeem himself at this la date in his life. How will h use what gift of time remains?

"Will he die unmourne save by his closest relatives, some hospital room . . . or w he return to Iran to justi himself and in so doing relie the pressures that threaten t peace of the world?"

The letter went on to su gest that the Shah could u his Tehran trial to justify h and his father's regimes, a would win worldwide respe for his heroism.

The idea was repeated y terday in the New York Dai News by the well regarded c umnist Mr Jimmy Bresl "Somewhere," he wro "there has to be a bugle su moning the man to get u without coercion or prom and perform a solitary act a end the danger for others."

Quoting from Charl Dickens, Mr Breslin said th to give himself up would be far, far better thing than t Shah had ever done. added: "He is a man p sented with a chance for tr nobility, to save the lives men who are here now, children who are yet to born."

In his only reported reacti to such suggestions, the Sh was said to have told an int viewer several days ago th he may be many things, but was not crazy.

Even if he were to be thi ing along the l nes of mart dom, it is unlikely that Americans would welcome For, howeper loudly United States Administrat would protest that it played part in his decision, Iranien students holding hostages would see his retu as a complete vindication their terror tactics.

At the United Nations, me while, discussion was conti ing on the terms of a reso tion to be presented to Security Council this week. main feature will certainly a powerful appeal for release of the hostages, there is no agreement am members yet on what the Ir ians are to be offered exchange.

In the two evenings debate in the Security Cou over the weekend, spea after speaker condemned hostage-taking. In addition, Arab nations suggested spec courses of action.

Hint of compromise in eight-point list of demands

Iran given Kurds' autonomy plan

From Robert Fisk
Mahabad, Iran, Dec 3

At a secret meeting in the mountains of north-western Iran, leaders of the country's five million Kurds have presented the Iranian Revolutionary Council with an eight-point plan for Kurdish autonomy.

The document, which contains the most detailed and specific demands to have been made by the Kurds since their secessionist revolts began more than 30 years ago, calls for an enlarged Kurdish province, a freely-elected Kurdish Assembly and a guarantee of autonomy to be written into the new Iranian constitution.

The paper listing these demands, a copy of which has been made available to The Times, was handed over by Shaikh Ezzedin Hosseini, the Kurdish spiritual leader, to Mr Daryush Forahar, the Iranian Government negotiator, six days ago. Mr Daryush is scheduled to return to Kurdistan tomorrow to give the Revolutionary Council's reply.

If the Kurds receive no satisfaction from this, then the latest ceasefire—which was implemented after ferocious fighting around Mahabad and Sanandaj last month—may not be renewed when it runs out in a week's time. And since voting is already taking place on Iran's new Islamic Constitution, at least one of Shaikh Hosseini's demands cannot be met.

The paper was signed by Shaikh Hosseini and by leaders of the three main political groups in Kurdistan; the orthodox communist Kurdish Democratic Party, the Marxist-Leninist Komala movement and the left-wing Fedayeen.

In a preface, it pointedly recalls that Ayatollah Khomeini, whose revolutionary guards imposed their own ruthless pacification of parts of Kurdistan last month, has several times stated that the economic, political and military oppression which the Kurds believe they endured under the Shah's regime should be removed.

The demands are listed as follows:

1 Autonomy for Kurdistan should be officially recognized and be specifically referred to in the constitution.

2 That the Kurdish region which is at present divided into four Iranian provinces, Ilam, Kermanshah, Kurdistan and West Azerbaijan, should be recognized as an autonomous unit.

3 A "National Assembly of Kurdistan" should be elected by a free, direct and secret vote. The Assembly will choose an autonomous government of Kurdistan which will control all economic, social and cultural life and local security in the Kurdish region.

4 The Kurdish language should be recognized as the primary language in schools and for official letters. After the fourth year of primary studies, the Persian language will also be taught in schools.

5 Part of the national budget should be devoted to Kurdistan and that this regional budget should be expanded to take account of the backward economy that has been imposed on Kurdistan in the past.

6 Kurdish representatives should play a role in central government.

7 Foreign policy, national defence (the Army), the national economy and long-term economic planning should rest with the central government.

8 Democratic freedoms such as freedom of the press, free speech, political and religious freedom should exist all over Iran.

The document makes it clear that the Kurds are prepared to "negotiate" on these demands and that Shaikh Hosseini might therefore be prepared to make some compromises. He would, for example, have to accept a government promise of later changes in the constitution if his first condition was to be fulfilled.

Although the eighth demand is theoretically met in the wording of the constitution, such basic rights are not going to be allowed to infringe the tenets of Islam—a caveat in the constitution of which the Kurds are deeply suspicious.

The Revolutionary Council agreed last month that the Kurds should be allowed some form of self-government but they did not specify the powers that might be given to a Kurdish Assembly and no reference was made to "autonomy".

Few Americans have moved out of Kuwait

Kuwait, Dec 3.—National guardsmen armed with machine guns took up positions outside the United States embassy here after anti-American demonstrations on Friday. An estimated 3,00 people were dispersed by Kuwaiti security forces, although no arrests were reported.

Although Kuwait was one of 14 Muslim countries where the United States has urged its nationals to undertake only official travel, the embassy said today that few Americans had left. An embassy spokesman said there were about 2,500 Americans living in Kuwait. About 20 dependants had left after Washington's safety directive but the move was only temporary, he said.

The State Department urged its diplomatic missions in the 14 countries to evacuate dependants and non-essential personnel on a voluntary basis because of tensions following the Iranian crisis.

The spokesman said the embassy had offered to help dependants leave Kuwait if they wished but he said there had been no requests. Apart from diplomatic staff, there are Americans working here with oil companies and other private firms.

Libya apologizes: The Libyan Government has apologized to the United States for yesterday's attack on the American embassy in Tripoli, State Department officials said in Washington today.

But they said the alopogy was insufficient without stringent new security measures to protect both American officials and other United States citizens in Libya.

The United States yesterday protested strongly to the Libyan Govrenment about what a State Department spokesman called its "inadequate and unresponsive actions" to protect the American mission.—Reuter.

Czech reformist Dr Kriegl dies

Dr Frantisek Kriegl, a leading reformist of the Prague Spring, died yesterday in Prague, aged 71, according to the Palach Press news agency.

He was the only member of the Dubcek team who withstood the pressure of the Soviet leadership and refused to sign the so-called Moscow agreement; and he later was the most prominent member of the Charter 77 movement.

Two American sailors shot dead in Puerto Rico ambush

From Our Own Correspondent
New York, Dec 3

Two United States sailors were killed today when terrorists ambushed a Navy bus near San Juan, Puerto Rico, and opened fire on the occupants. Ten other persons, including three women, were seriously injured.

It was the most serious incident for several years in a low-level but persistent guerrilla campaign by groups seeking full independence for the island.

The attack was believed to be revenge for the death three weeks ago of Angel Rodriguez Cristobal, an independence supporter who was found hanged in his cell in Florida. He had been arrested with 20 others for trespassing on Navy property at Vieques, an offshore island whic his used as a weapons training range and has been a focus for protests by nationalists.

Puerto Rico has commonwealth status with the United States. Although not a fully-fledged member of the Union, it is linked economically; and Puerto Ricans have complete rights as United States citizens, including the right to settle on the mainland. They also receive welfare payments from Washington.

The question of a permanent future status for the island has been long debated. Parties supporting a complete break from the United States, in other words independence, seldom receive a significant number of votes at elections.

Of the other options, some favour the continuation of the commonwealth link and others want full-fledged statehood. The United States Government has said repeatedly that it will comply with whatever the people decide, and a referendum is likely to be held in the next year or two.

One of the motives of the terrorist campaign is to convince Americans that by taking on Puerto Rico as a state of the Union, they would also be taking on a dispute with explosive potencial like Britain's burden in Northern Ireland.

Most of the incidents in recent years have been bomb attacks against property, both in Puerto Rico and on the American mainland, in which there have been no casualties. The last previous attack, in which an American serviceman was killed, was in March, 1970.

Toa Baja, Puerto Rico, Dec 3.—The attack occurred at 6.20 am as the yellow school bus with Navy markings left a naval communications facility here, taking 18 people to work at a radar station two kilometres away.

Unconfirmed reports said that at least four gunmen used two vans in the ambush, one blocking the way along a deserted section of the narrow road. Authorities here said the attackers opened fire with a heavy-gauge shotgun and pistols. A survivor said the driver was killed instantly when he was shot under the right eye.

Rear-Admiral Arthur Knoizen, senior American naval officer in the Caribbean, said the attack was "a well planned, well executed ambush. It was not a target of opportunity".—AP.

Senate support for President over sanctions

From David Cross
Washington, Dec 3

The United States Adm stration today secured suport of the Senate for policy of retaining econo sanctions against Zimba Rhodesia until the Lon peace talks are concluded.

The Senate foreign relat committee agreed by a vot eight to nil that the sanct should continue for the t being in spite of the rese tions of some conserva members.

If the talks in London successful a decision to sanctions will be taken wh British governor takes offic Salisbury and the process wards new elections has b initiated. If the talks fail, P dent Carter would de whether or not to lift the s tions by January 31 at latest.

If the President decides retain sanctions the deci could be overturned by C gress. In that case, there w have to be majorities in fa of the lifting of sanction both houses of Congress.

Today's decision foll negotiations over the weel between the State Departr and Mr Jesse Helms, a Rep can member of the Upper H who leads a group of conse tive senators.

The State Department argued that the lifting of s tions during the London t might jeopardize their outc But several senators suspe that the Administration m be using the talks simply a excuse for prolonging sanct indefinitely.

Zanu picket paper over merger story

From Our Correspondent
Salisbury, Dec 3

A crowd of about 150 Zanu supporters demonstrated outside the offices of the National Observer newspaper today. They were objecting to the lead story in the latest issue of this African-orientated weekly which said the party leader, the Rev Ndabaningi Sithole, was seeking an alliance with the United African National Council led by Bishop Abel Muzorewa.

The newspaper quoted sources close to the Zanu party leadership. Mr James Davova, the party's publicity secretary and a member of Parliament, said the report was incorrect. Today's demonstration was orderly although it did hold up traffic for a time on one of the city's main thoroughfares.

It started shortly before 10 am with men and women holding up placards calling for the dismissal of the newspaper's editor and two members of his staff. A petition claimed that the newspaper was anti-Zanu in its reporting and favoured the UANC.

A section of the crowd tried to enter Herald House, the six-storey building which houses three newspapers owned by the Rhodesia Printing and Publishing Company; the National Observer, the Herald and the Sunday Mail. The Salisbury branch manager of the company, Mr Michael Smuts, locked the glass front doors of the building preventing the crowd from entering. A white police officer spoke quietly to the crowd in Shona while a three-man deputation was allowed in to see the editor.

After half an hour during which time numerous copi the National Observer burnt the crowd sang a song and dispersed quietly one was hurt.

UN Committee: Jam Kuwait, Nigeria and No were named today as the m bers of a Security Co committee set up under a lution of November 23 demning recent Zimb Rhodesian attacks on Za destroying road and rail l

The committee was e lished to help to implemen resolution, particularly parts calling for compens to Zambia by the "respon authorities" and urging U Nations members to help biz to rebuild facilities n sary to its economy.

The committee is to r back to the Security Co by December 15.—Reuter.

OVERSEAS

Israeli Government facing storm over allegations by Amnesty that Arab suspects were tortured

From Christopher Walker
Jerusalem, Dec 3

Israel is facing the prospect of a new international controversy over detailed allegations that suspected Arab terrorists in the occupied West Bank and Gaza Strip have been tortured by members of the security forces.

The allegations are understood to be contained in a confidential document by Amnesty International sent for comment to Mr Begin, the Prime Minister, and a number of his Cabinet colleagues. The document was prepared by a three-man Amnesty delegation which visited Israel in June, and spoke at length to Arabs held in military custody in the occupied territories, to prisoners who had been released, and to government representatives.

Diplomatic observers point out that the security forces are already coming under international criticism as a result of disclosures in recent weeks that two officers, one convicted of murdering a prisoner and the other of ordering the murder of a prisoner during the 1978 invasion of Lebanon, both had their sentences reduced by General Rafael Eytan, the Chief of Staff.

In Jerusalem today Mr Gabriel Bach, the Attorney General, was summoned to appear before a special session of the subcommittee of the Knessets committee on Law, Justice and the Constitution. The meeting was called by the chairman, Mr David Glass, of the National Religious Party, who had been sent a copy of the Amnesty ~~findings~~

A spokesman for the Ministry of Justice told me tonight: "The attorney general informed the committee about the procedures being followed inside the Ministry to check all the cases which have been brought to our attention by Amnesty International".

The spokesman refused to disclose the number of cases of alleged torture contained in the document, or the nature of the specific charges levelled against thesecurity forces. He said that each individual case would be the subject of separate checking by the Prime Minister's office, and the defence, interior, and justice ministries.

Although the Amnesty document is understood to have arrived in erusalem early last month, the first hint of its existence came today in a lengthy story on the front page of Ha'aretz, the independent Hebrew daily.

According to the newspaper, the Amnesty document claims that there is "prima facia proof of the torture of security suspects in the occupied territories by interrogators and warders". It quotes Amnesty as calling for the setting up of an independent commission of inquiry to investigate the charges.

Policemen jailed: Two Israeli policemen have been jailed by a Jerusalem district court for what the judge called "Sadistic maltreatment" of an Arab during interrogation. One was sentenced to two years in prison and the other to one year.

They were found guilty of mistreating a Hebron man while interrogating him about the death of a relative. A police spokesman said they covered the man's head with a bag and punched and kicked him. When he refused to confess, they forced him to strip and sexually abused him.—AP.

Thais cut off food aid to save refugees

Bangkok, Dec 3.—The Thai military authorities have cut off relief supplies to more than 200,000 Kampucheans camped near the frontier in an attempt to persuade their leaders to allow them to cross into Thailand, military sources said today.

The right-wing Khmer Serei have control of the encampment opposite the Thai border village of Nonmarkmoon, 170 miles east of Bangkok. No supplies were delivered today. Up to now, international agencies have been supplying about 300 tonnes of food a day to the encampment.

The Thai Military authorities want to remove a large number of the estimated 600,000 to 700,000 refugees massed in the area to a refugee camp at Khao I-Dang, eight miles inside Thailand. They fear for their safety if fighting between the Phnom Penh forces and troops loyal to the ousted Pol Pot regime comes nearer.

In the two weeks since the operation to fill Khao I-Dang started, only about 40,000 people, half the projected total, have entered it, mostly because of resistance from the Khmer Serei who fear their power base would be eroded.

Colonel Prachak Sawangchitr, officer in charge of military operations at the border province of Prachinburi, said the government had found evidence that the supplies had been distributed to troops and not civilians.

He said he also received reports that leaders of armed Kampucheans had sold the supplies to Khmer Rouge guerrillas.

Mr Henry Samrin, the Kampuchean leader, has bitterly attacked Prince Norodom Sihanouk, former head of state, who arrived in Paris recently to rally opposition to the pro-Vietnamese Phnom Penh government.

Mr Samrin described Prince Sihanouk as China's "last card". Peking "could no longer count on the bloodthirsty (Khmer Rouge) traitors" he told a rally on Saturday.

Vietnam is accusing China and the United States of launching a coordinated campaign of allegations against Hanoi about famine relief.

The official Hanoi radio monitored in Bangkok said that charges of a diversion of international aid from Kampuchea to Vietnam were "a vicious and brazen political move."

It added: "It is part of propaganda campaign being conducted by the Peking expansionists, the United States imperialists and other reactionary forces to distort the facts about Kampuchea."

This was Hanoi's first public response to recent allegations against Vietnam by refugees, and western diplomats, who accused Hanoi of appropriating international relief aidto Kampuchea.

The radio said Vietnam, the Soviet Union and other communist countries had sent hundreds of thousands of sons of rice and other necessities to the Kampuchean people.—Reuter, AP, Agence France-Presse.

Empire State jump: Elvita Adams, aged 29, recovering in a New York hospital yesterday after falling from the observation platform on the eighty-sixth floor of the Empire State building and suffering only a broken leg. Police said she was caught by a strong gust of wind and was blown on to a ledge on the storey below. A security officer opened a window and pulled the moaning woman to safety.

Legal battle in US to deport Nazi collaborator

From Ivor Davies
Los Angeles, Dec 3

A legal battle resumes this week to deport one of America's Nazi collaborators, the Yugoslav-born Mr Andrija Artukovic, who has been living in the southern California seaside community of Seal Beach for more than 30 years.

Mr Artukovic, who turned 80 last Thursday, was appointed Minister of Internal Affairs in the Nazi puppet Croatian Government that ran the country after the Germans overran it. He is accused of being partly responsible for the deaths of 770,000 Serbs and Jews, who were rounded up and put in camps during that time.

Mr Artukovic, who rarely leaves his heavily guarded waterfront compound just outside Los Angeles, entered the United States in 1948 under an assumed name, using an Irish certificate of identity. Eleven years later an immigration commission approved a stay of deportation for him solely on the grounds that if he were forced to go back to his homeland he would be persecuted.

In October, the Justice Department sought to lift the stay of deportation without holding new hearings. Its action was based only on a review of old administration records and application of a new amendment to the Migration and Nationality Act which was passed in October, 1978.

The amendment specifically excluded any Nazi collaborator who had "ordered, incited, assisted or otherwise participated in the persecution of any person because of race, religion, national origin or political opinion" from protection under the section relating to individuals who miht be persecuted if sent back to their homelands.

However, Mr Artukovic's Los Angeles lawyer, Mr Ronald Bonaparte, filed an answer over the weekend arguing that the Government should be obliged to reopen his client's case and allow a full hearing at which evidence favourable to him could be introduced. Such a hearing would also compel the Government to prove Mr Artukovic's role in the Croatian Government and his alleged persecution of Jews and Serbs at the time.

Even if a full hearing is ordered—and that appears unlikely—Mr Bonaparte says any adverse rulings will be challenged by him ultimately to the United States Supreme Court, which means that any possible deportation could still take several years.

PLO pledge to reunite Palestine peacefully

By Edward Mortimer

Palestinians would use only "peaceful and democratic" means to reunite Palestine, once they had secured a "mini-state" in part of the country. This assurance was given in unusually clear terms in London yesterday by Mr Khalid Al Hassan, chairman of the foreign relations committee of the Palestine Liberation Organization and one of the closest advisers of Mr Yasser Arafat, the PLO leader.

Mr Al Hassan was speaking at an international seminar on Jerusalem, organized by the Islamic Council of Europe and sponsored by the Ministry of Information of Saudi Arabia.

The geust of honour, Crown Prince Fahd of Saudi Arabia, was unable to be present because of "other commitments", presumably not unconnected with the emergency in Mecca.

Mr Al Hassan, speaikng in English, said very little about Herusalem and avoided setting his remarks in a specifically Islamic context. He spoke "in the name of the God of all of us and the prophets of all of us, because all of us belong to mankind".

He clearly saw the occasion as an opportunity to put the Palestinian case to the British public, "here in London, the palce where the whole tragedy was planned and directed"—an allusion to the Balfour Declaration and the role of the British mandate in bringing about the Zionist colonization of Palestine.

"At last we find", he declared, "that the public opinion of Great Britain will realize they have made a great mistake in the past, and they will have a duty to reform what they have achieved."

Mr Al Hassan accused the superpowers of repeatedly trying to solve the conflict on new terms "continually invented to suit the selfish interest of the power, forgetting the essence and tackling the ramification of the problem".

Thus, the United Nations resolut on 242 of 1967 took no account of previous resolutions on the rights of the Palestinians, and the Camp David agreement took n o account even of resolution 242. Such solutions did not represent peace, because they were not based on justice and cooperation, but only on "security and stability to keep the oil flowing".

He compared them to a dictatorship maintaining itself in power by physical force, but containing within itself the seeds of its own destruction.

The Palestinians believed in "the power of right" and were against "the right of power" and were willing to live in peace with the Jews in a democratic state, he said.

"To prove our good intentions, we said let us have a mini-state in part of Palestine, provided thet it doesn't stop us from using peaceful and democratic means to reunite. Establish an independent state, and then the peaceful means will fillow to reunite Palesitme."

Ramallah protests: Palestinian students demonstrated today in Ramallah, on the occupied West Bank, against Israel's plan to deport Mr Bassam Al Shaka, the Arab mayor of Nablus, for his alleged verbal support of guerrilla activity.

Merchants in Ramallah and in the neighbouring town of El Bireh observed a general strike and school pupils took to the streets shouting anti-Israeli slogans.

How nation was ruined by dictator

From Alan McGregor
Geneva, Dec 3

How the economy of Equatorial Guinea, which had one of Africa's highest per capita incomes in the 1960s, was devastated under the regime of President Macias Nguema is described in a report by Dr Alejandro Artucio, issued by the International Commission of Jurists.

He was the commission's observer at the trial in Malabo at the end of September when Mr Macias and six of his collaborators were sentenced to death and executed by firing squad.

Dr Artucio says the trial was "as fair and equitable as could be expected in the exceptional circumstances in which it took place". A dictator paid the price for 11 years of systematic violations of human rights and mass murders—474 victims were named at the trial. Of the 12 ministers in Mr Macias's first Cabinet 10 were murdered.

The report says Mr Macias removed the national treasury from the state bank to his own home so that it became inextricably intermingled with his personal budget.

Whereas in coming to power in 1968 he received the euivalent of £8,500 a year, his revenue in 1978 was more than £5m—compared with the average official's salary of £600 to £1,000.

In the two years until September, his savings increased twenty-fold to £6.5m, on which he ordered that 8 per cent interest had to be paid.

One citizen in every four was in exile, the economy was paralysed, 90 per cent of the public administration no longer functioned.

Exile fails to become Brazil's Lenin

From Patrick Knight
São Paolo, Dec 3

As Brazil's Congress is preparing to adjourn for the summer recess on Wednesday, fresh political alliances are emerging from the country's two main parties formally dissolved a fortnight ago.

The Brazilian Democratic Movement (MDB), the main Opposition front, has split into three parties in the past few days. One of them, the Brazilian Labour Party (PTB), is led by Senhor Leonel Brizola, the populist leader, who recently returned to the country from exile. The limited support he has succeeded in drumming up for the new party has surprised observers.

Political parties must have a minimum of 48 deputies in order to win official recognition, but the PTB has so far only attracted 30.

Paradoxically the Government might now have to detail some of its own deputies to join the PTB to get the party off the ground. This device has been used before in recent years.

The PTB is now the main weapon in the Government's tactical arsenal to divide the opposition parties growing out of the old MDB stump, and clearly it will not be allowed to die for lack of support.

Reacting to this possible Government intervention with a certain embarrassment, Senhor Brizola draws a parallel with the return to Russia of Lenin in 1917 in a sealed train provided by the Germans. It did not have the result the Germans had expected, he admits wryly, although it is clear from the limited impact Senhor Brizola is having that he is no Lenin either.

The Social Democratic Party (PSD) the new grouping of the centre, which draws members from both dissolved parties, is to be led by two men from Minas Gerais state, Brazil's political heart: Senator Magalhaes Pinto, a previous Foreign Minister, and former MDB Senator Tancreco Neves. The PSD has the allegiance of more than 80 deputies.

It is expected to back the Government on most issues, although the withdrawal of its support could jeopardize the Government's slender overall majority.

In a further metamorphosis, the surviving portion of the Brazilian Democratic Movement is to change its name to the Party for Brazilian Democratic Mobilization, a complex title, but one which means the party will merely have to add the letter "P" to its original initials of MDB, which have proved an effective vote raiser in recent elections.

It remains to be seen whether the deputies who back the Workers' Party (PT), will decide to establish a small, independent parliamentary block at this stage, or stay within the PMDB movement.

As the political wheeling and dealing continues, it now seems certain that the local elections, scheduled for next year, will not take place, and that Brazil will remain in virtual political limbo until November, 1982, when the new parties will face the electorate for the first time.

More bodies at polar crash can be removed

Scott Base, Antarctica, Dec 3.—Rescue workers now hope to recover more bodies than had been expected from the wreckage of the Air New Zealand DC-10.

If weather conditions remain good for the next 24 hours, the first group of bodies should be removed tomorrokw.

Japan takes £1,000m package to Peking

From Our correspondent
Tokyo, Dec 3

Mr Masayoshi Ohira's visit to China on Wednesday will be the first trip of Japanese Prime Minister. It will be reciprocated by Chairman Hua Guofeng's visit to Tokyo next May. Mr Ohira is due to have two conferences with the Chairman and will address a political gathering where he is expected to ennunciate a new "doctrine" to guide Sino-Japanese relations and Japanese foreign policy in Asia.

In so far as bilateral problems are concerned, Mr Ohira is expected to agree an economic aid programme to Thina which eventually wil involve some £1,000m.

The proposed aid will cover the construction and/or improvement of six projects, includin gharbours, railways and a power station. They are all considered vital to the Chinese inductrialization programme For which Japanese exports are onofficially estimated at £4,500m.

Mr Ohira is also expected to agree on extension of preferential tariff arrangements on Japanese imports from China. While Japanese-Chinese trade has been steadily rising, it has always involved Chinese deficits. Under the proposed arrangements, imports from China would become virtually tariff-free.

While these economic-financial arrangements will be the highlights of Mr Ohira's visit to China, there are other elements in the two countries' relations that could potentially affect the United States, the Soviet Ulion and other countries.

While Japan has pledged that no military aid will be made available to China, Moscow has pointed out in a recent overseas broadcast that the proposed aid would eventually contribute to the military build-up of China. Moscow has always expressed apprehension over what it claims is the American–Chinese–Japanese military structure.

Mr Ohira is expected to advise in his talks with Chairman Hua that China exercise discretion in its relationship with Vietnam.

General strike in Assam against polling

Delhi, Dec 3.—Life in Assam, India's north-eastern state, was brought to a virtual standstill today by a general strike called to back demands for a postponement of next month's general election there.

The Press Trust of India said that government offices, schools and shops closed down and train and bus services were suspended.

Assamese organisations, which called the strike, said they would picket government offices in the state from Wednesday to press for the deletion of names of non-Assamese from the electoral rolls.

Assamese have clashed with immigrants from West Bengal who are protesting against attempts to strike their names from the electoral rolls. In the past weeks 12 people have been killed in the mounting violence and dozens injured.—Reuter.

Express derails

Delhi, Dec 3.—Twenty-five people were killed and more than a dozen injured when an express train ran off the rails near Londa in southern India. The accident occurred near Londa on the way to Bangalore.

General Zia eludes query about new Parliament

From Our Correspondent
Islamabad, Dec 3

President Zia ul-Haq of Pakistan, when asked today about the possibility of a new Parliament for Pakistan, replied that he was engaged in a "very important task" and did not want to create any uncertainty in the country.

Talking to reporters in Quetta on his arrival on a two-day visit, the Chief Martial Law Administrator said that in his October 16 broadcast he had set forth four objectives. "Unless I fulfil those I do not want to create any more uncertainty." The four objectives were: The restoration of law and order, elimination of corruption, stabilization of prices and the general economy and introduction of basic Islamic reforms.

Answering questions earlier in Karachi about a proposed controversial amendment to the penal code empowering the police to arrest an editor or publisher of a publication without warrant for news or articles alleged to be defamatory, President Zia said that the measure sought to protect "responsible citizens of the country from irresponsible journalists".

The proposed amendment has been opposed by the Publishers' Society. It provides for up to five years' jail with hard labour for defamation even if the information is true and its publishing in the public interest.

General Zia said in Quetta that the tightening of martial law on October 16 had so far yielded encouraging results. He claimed that tighter martial law had been accepted and was appreciated by the people.

He expected that the right kind of new leadership would emerge from the younger generation. He did not intend to recruit ministers from among the members of local bodies elected about two months ago.

Flood warnings: A radar system was installed today in Lahore as part of an improved flood warning project for the Indus basin which is ravaged by floods every year causing loss of lives and damage to crops. The project which is being constructed with international assistance is expected to be operational by the next monsoon season. It is to make Pakistan independent of Indian assistance in obtaining rain data and information on the state of the river in the upper catchment areas.

Soviet attacks on China resume as talks adjourn

From Michael Binyon
Moscow, Dec. 3

Mr Wang Youping, the Chinese Deputy Foreign Minister, who has led the Chinese delegation here to discuss ways of improving Sino-Soviet relations, today called on Mr Gromyko, the Soviet Foreign Minister, at Mr Wang's request.

Chinese sources say that nothing substantial was discussed, however, and the meeting was a courtesy call before Mr Wang returns to Peking. Last week the two sides ended their sixth and final session of talks with still no significant progress having been made.

The next round of talks will be held in Peking, probably sometime in the spring. The decision to alternate between Moscow and Peking was virtually the only point of agreement to have come out of the five preliminary and six plenary sessions. The agenda still remains unresolved.

Both the Russians, led by Mr Leonid Ilyichov, a Deputy Foreign Minister and veteran negotiator with the Chinese on the border dispute, and the Chinese appear to have done little more than restate their original positions at each session.

Meanwhile, both sides have kept up the propaganda barrage. Moscow toned down its attacks a little when the talks began to back up its accusation that it was the Chinese who were poisoning the atmosphere for the talks and the routine attack on China was dropped from the keynote speech on the November 7 anniversary of the revolution.

However, Moscow has now returned to its daily denunciation of Chinese policies around the world. In the past week it has accused China of preparing a new war against Vietnam,

Chinese courts urged to pass stiff sentences

Peking, Dec 3.—Chinese courts were today urged to hand down harsh sentences, even at the risk of making "inevitable" errors.

Just one month before a new legal code comes into force, the *Peking Daily* called on courts not "to be afraid of what people will say" and not to allow any criminal "to escape the arm of the law". It said the fear of people's reactions still haunted "certain comrades"

The paper said judges should "under no circumstances hold back from settling a case for fear of the slight risk" of making judicial errors

Labour rift greets Fraser return

From Douglas Aiton
Melbourne, Dec 3

Mr Malcolm Fraser, the Australian Prime Minister, returned to work today after more than five weeks in bed suffering from pneumonia and pleurisy, amid rumours of an imminent cabinet reshuffle.

His return came at a time when a poll in the influential Melbourne newspapers *The Age* showed that rating of his performance as Prime Minister has risen from 22 per cent to 24 per cent between September and November.

While this might not appear immediately impressive, it is the first time for more than a year that any poll has shown the public's estimation of the Fraser government's performance to be anything but plummeting.

Furthermore, the same poll showed that support for Mr William Hayden, the Leader of the Opposition, has fallen.

A number of factors may have contributed to this slight change in the share of political popularity. Unemployment, the cause of Mr Fraser's troubles, recently showed a small amount of improvement. The figures showed that the percentage of unemployed had fallen from 6.1 per cent to 6 per cent.

The number unemployed is now 389,100 which is 22,000 more than the same month last year. It has clearly been of considerable irritation to the electorate that during a time when the unemployment figures are the worst since the Depression, the government has chosen to fight inflation first and unemployment second.

The fact that the fight against inflation has met with some success has done surprisingly little for the Government's standing. Every poll taken over the last 12 months has put Labour's chances of winning an immediate election higher than the Government's, although the polls were taken when the next election was a fair way off, thus tempting people to register a harmless rebuke.

Mr Fraser's slight increase in popularity may also be partly due to the overall ineffectuality of Mr Hayden as Opposition leader, which has been compounded recently by the entry into the political sphere of Mr Robert Hawke, who for the past 10 years has been president of the Australian Council of Trade Unions.

Mr Hayden took over the leadership at a time when contempt for Mr Gough Whitlam, the former Labour Prime Minister, was running at a high level. Mr Hayden, a quiet and philosophical man with a tendency to be seen to complain too often, presented an acceptable alternative after the flamboyance of Mr Whitlam. His style is, to say the least, low key.

Thus, with an election a year ahead, and Mr Fraser's performance dwindling in popularity, Mr Hayden was looking a bright prospect, until Mr Hawke threw his cap into the ring.

Two months ago Mr Hawke won preselection for a safe Labour seat, a move which has nevertheless thrown the Labour movement into confusion, as more Labour supporters would prefer him as Leader of the Opposition to Mr Hayden. To make matters worse, Mr Hayden and Mr Hawke do not get on well and had an acrimonious exchange at a recent Labour conference, thus dividing the camps even further.

In the meantime, it will shortly be seen if the Prime Minister's severe illness is to detract from his performance at a time when he needs to profit from the Labour turmoil.

Muslim minister quits to join Janata

From Richard Wigg
Delhi, Dec 3

A prominent Muslim politician today became the third member of the caretaker government of Mr Charan Singh to depart from the Cabinet and ally himself with a rival party for next month's general election.

Mr Zulfiquar Ullah resigned as Communications Minister, taking the Muslim National Front, of which he is convener, into an electoral alliance with the Janata party.

Last week Mr K. Brahmananda Reddy, the Industry Minister, resigned. In October, the Prime Minister himself got rid of Mr H. N. Bahuguna, the Finance Minister, accusing him of disloyalty. Both Mr Reddy and Mr Bahuguna have now joined Mrs Gandhi's Congress.

Mr Ullah's resignation comes amid steadily growing sentiment that the way Mr Charan Singh has gone about campaigning clearly marks the Lok Dal party out as a loser even in northern India where it was supposed to be strongest.

Mr Jagjivan Ram, the Janata party leader, eagerly called a press conference to announce Mr Ullah's teaming up with him. In Uttar Pradesh, India's most populous state which could once again be decisive for the outcome of the election with its block of 85 seats, Muslims form over 15 per cent of the population.

Mr Ullah's Muslim National Front, a grouping of five small parties recently formed, should, it is hoped, offset the electoral pull of Mr Bahuguna, a former Chief Minister in the state, who though a Hindu always claims a large following among the minority community.

For Janata, with its predominantly Hindu high caste image, the alliance with Mr Ullah should help to answer the frequent charge of communalism made against it. Right-wing Hindu nationalist elements in the Janata Government of Mr Desai were widely held responsible for instigating the anti-Muslim riots in Uttar Pradesh, most notably those in the university city of Aligarh.

In the three-cornered fights likely in Uttar Pradesh the Muslim vote is already being keenly wooed. All three contending parties have, for instance, promised to uphold Muslim personal law, despite the heavy impediments it imposes on Muslim women.

Mr Ram promised today that the Janata party, if returned to power, would give adequate representation in all the government services to Muslims. Last August he publicly denounced the fact that Muslims number only 2 per cent in the Uttar Pradesh police forces. There have been well documented complaints by Muslims of police partiality towards Hindus

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PARLIAMENT, December 3, 1979

Support for longer-term approach to pattern of EEC expenditure

House of Commons

Mrs Margaret Thatcher, The Prime Minister, reported, in her statement on last week's European Council meeting in Dublin, that the heads of state and government of the EEC were unable to find a satisfactory solution and reach an agreement on an acceptable reduction in Britain's excessive net contribution to the Community budget.

The Community (she said) has much to do together in the larger world. We must now see whether the possible elements which we identified in Dublin can be built up quickly in order to produce an adequate and lasting settlement.

Mrs Thatcher said the general debate on economic prospects including energy was dominated by the feeling of uncertainty about the future of oil supplies especially in view of the situation in Iran. It was agreed that inflation was still the main economic problem.

Most of the time in formal session was devoted to Britain's budget problem.

Our partners recognize (she continued) that we do have a problem. But they of course have their own problems too. We and they did not see eye to eye on the magnitude and seriousness of the difficulty for the United Kingdom or on the measures that would be required to deal with it properly.

In spite of North Sea oil we are still among the least prosperous of the member states but are nevertheless expected to be one of the main contributors to the Community budget. On present Community policies, the prospects are that the burden would increase even further.

We stressed that any solution must be a lasting one. Otherwise the problem would come up yet again with damaging consequences for us and for the Community as a whole.

Agreement in Dublin would no doubt have been made easier if we had been ready to accept that changes to the Financial Mechanism negotiated in 1975 would have settled the matter in full. That would have reduced our net contribution next year by about £350m, only one-third of what we are expected to pay.

The House clearly expressed its views on such a settlement in the debate last week. We were therefore confident that we would have the full support of MPs in saying that this was totally inadequate. (Cheers.)

Removing the constraints which limit the effectiveness of the 1975 mechanism can very well form the basis for a solution. But, by itself, it is nothing like enough. It does not deal at all with the problem that our receipts per head from Community expenditure are less than half the average for the whole Community.

This must be the second element in any solution.

There was, however, considerable resistance to any action to remedy that part of our problem. Eventually it was agreed that the Commission should bring forward proposals for developing supplementary Community measures which would lead to more Community expenditure in this country.

The third and longer term element in tackling the problem is the pattern of Community expenditure. The Commission suggested that more should be spent on structural measures and less on agriculture. This approach was generally supported.

Several countries which had been helpful in searching for a possible solution felt that more time was needed.

We therefore agreed to another early meeting of the European Council to try to find a satisfactory settlement. It is left to the next President, the Italian Prime Minister, to judge when that meeting should be called.

I cannot give the House any reassurance about the success of that further meeting. But if others will show willing I am ready to do the same in the search for a genuine compromise.

I left our partners in no doubt that my room for manoeuvre was limited but I did not feel it right to refuse to make this further effort.

The European Council also adopted conclusions on other current Community issues—fisheries, energy and sheepmeat. These are separate questions which will each be considered on their merits. Indeed, we are already considering them in that way.

Mr James Callaghan, Leader of the Opposition (Cardiff South-East, Lab), *questioning the Prime Minister on her statement*, recalled that on July 16 last the Government accepted an Opposition amendment, that a fundamental readjustment and reform of the budget was necessary so that expenditure was at least balanced or not greater than the receipts. That amendment was accepted by the Government.

We reaffirm it today (he continued). We are concerned that the result of this Council is "totally unsatisfactory". Those words were used by her and I support them.

Why did she give the impression before she got to Dublin that there was a deadline, if she did not intend to stick to it? When she got there apparently they had a fierce argument. She said: "I want my money"—(Conservative cries of "What did you do?")—and returned at the end of the day having said that she was willing to compromise. What does this mean?

Is she standing by her intention of achieving a broad balance or does she mean by the compromise that she intends to go for something less than that? Or, is the compromise to be found not in financial terms? Is it to be found by making compromises with the Community on some other matters?

She has got herself into the position where unless she puts some proposal forward, there will not be another meeting. Although we did not press her deliberately before we went to Dublin, on her tactics, because we assumed she had some cards up her sleeve, when she got there we found she had nothing up her sleeve.

So she has to come forward with some proposals. The Commons will want to press her on what these are. What is to be the nature of the compromise she is considering?

Is it not, on reflection, a pity that she deserted the price freeze she inherited from us on the common agriculture policy last spring? Would she not have then gone to Dublin with some lever in her hand instead of going there and returning entirely empty-handed?

Mrs Thatcher—He is the last person who is in a position to criticize. (Loud interruptions.) When he started renegotiation of the Community contribution, this country was making a net contribution of £16m a year to the Community budget. It went up during his tenure of his office to £281m. It went up again in this year to £919m, and next year to £1,000m. That was his contribution to renegotiation and he left us with a considerably increased budget.

The spectre hanging over Dublin was that they said that we had negotiated on this basis at Dublin previously and there we were, coming along to renegotiate again. I tried to perform against that background.

Fundamental reform of the budget may be desirable—I happened to think it was and still do—but fundamental reforms would change all the existing *mechanisms, all the existing basis* of the budget. These existing mechanisms were the ones we were pushing at. We were offered £350m on reducing the contribution, but when it came to increasing receipts there was considerable reluctance because the others recognized receipts would have to be reduced in their countries. We would not get relief for next year unless we used existing moneys. In the long term there needs to be a fundamental reform in the budget. That will take a time.

On the deadline, the instruction was from Strasbourg to the Commission and the Council of Finance Ministers was first to find the facts *and then to make proposals in time* for decision at Dublin.

When Mr Callaghan left office all his economic policies, including the price freeze—and he held up a lot of price increases for the election—and income policy were collapsing. We had to go to a different position.

The fisheries and energy aspect are not linked to a solution of the budget problem. They must be tackled on their merits and they are being tackled on their merits.

On the broad balance, that is the starting point. The position put to me strongly was a third element in the solution—that of structural changes in the budget. It consists of getting less balance on agriculture and more on other investment.

Mr Callaghan—When the hopes of the House have been disappointed we are right to hold the Government to account for that failure. (Labour cheers).

The House will be relieved to know that the Prime Minister in talking about a compromise is not talking about issues such as fish, energy or other matters which have been referred to. We assume what she is suggesting is that the sum should be something less than £1,000m or whatever it will be next year.

Does she believe that at some council to be held in February she is going to get structural alterations in the agricultural policy which we have been promised for the last five years?

Does she believe that the other members of the Community are intending to work out structural changes that will enable her to have anything like £1,000m out of the necessary changes in the CAP *by February? This is unrealistic.*

Mrs Thatcher—One of the elements in existing mechanisms for solving our budget problem is on the contribution side where we have had an offer of £350m.

The other is to increase our receipts. On that side we encountered considerable resistance. That will be the side upon which we *shall concentrate in the coming* three months. Certainly structural changes in the budget will take longer but unless they are brought about during the next 18 months we shall be through the 1 per cent VAT ceiling.

Mr David Steel, the Liberal leader (Roxburgh, Selkirk and Peebles L)—There is no doubt that the Prime Minister inherited a rapidly worsening situation. The budgetary imbalance and the unacceptably distorting effect of the CAP are problems for the Community as a whole.

He asked why Treasury ministers had not accepted the idea put forward by Strasbourg MPs on making transfers from the agricultural to the regional and social funds.

Mrs Thatcher—Of course, part of the problem arises from the proportion of the budget taken by the agricultural budget. That is what we mean by a structural switch.

When it comes to reforming the CAP, some of the proposals which were before the Council of Ministers, which we did not discuss in detail, are not favourable to Britain. Although we accept the objective of reforming the CAP, we could not accept the particular proposals before the Council of Ministers which would have damaging effects for Britain on milk and sugar.

What one hopes is that there will be a determination to reduce the proportion of expenditure on the budget by a specific percentage and it will be remitted to the agricultural ministers to decide how that should be brought about.

As to why we did not support the European Parliament in its resolution on milk, there is a larger principle here as to whether, having agreed in the Council of Ministers on a budget, one should then individually support the Parliament on things that happen to suit us.

Sir Derek Walker-Smith (East *Hertfordshire, C)—Public opinion* in the country is wholly behind the Prime Minister in her stalwart efforts to achieve a sensible and satisfactory solution of our problems. (Conservative cheers and Labour interruptions).

The best argument for her formidable advocacy is a restructuring of the CAP with a view to reducing the proportion of the budget to a much lower and more realistic level from which Britain will certainly benefit.

Mrs Thatcher—I certainly accept the conclusion that we shall have to restructure the expenditure to reduce the proportion spent on agriculture. This is our objective.

But I must stress that we cannot wait for the reform of the agricultural policy before getting relief on the budget. The proposals that we put up were designed to be able to do it without that. In the short term we could do it by relief on contributions and more receipts. We cannot wait for a total reform of the CAP to get that relief.

Mr Geoffrey Rippon (Hexham, C)—Will she consider suggesting a joint meeting of finance and agricultural ministers to have adequate preparation before the next summit? To have a series of summits which raise expectations not then realized damages the cause of a united Europe.

Mrs Thatcher—We did remit the agricultural paper not only to agricultural ministers but to finance ministers too, because we thought it was time the agriculture policy decision-makers had their finance ministers sitting by them before they came to their expensive conclusions. That is being followed up.

Mr Donald Stewart (Western Isles, Scot Nat)—Mrs Thatcher made *strident bugle calls before going* to Dublin but today she is reporting an unmitigated defeat. In view of the response from our so-called partners, she now has the stark choice of economic suicide for the United Kingdom or withdrawal from the EEC.

Mrs Thatcher—Absolute Nonsense. In the first place we have to get relief for 1980-81 and a formula which will give relief in the years after that. We shall do it better and have a far more important position in the world as a Common Market member than on our own.

Mr Edward Gardner (South Fylde, C)—The follies and extravagancies of the CAP have been responsible primarily for what has become to us a quite unacceptable situation, which needs an equitable solution. Her solution, which she pressed with some formidable advocacy and determination in Dublin, will have the overwhelming approval of the British people.

Mrs Thatcher—The rapid annual increases in the CAP have given us such a tremendous budget problem. We must reduce spending but beware that ways of reducing expenditure do not act badly on our own farmers.

Mrs Thatcher said during later questions that she did not ask for Britain to be a net beneficiary but to be in broad balance. Britain was not asking for anything from the Community.

Some of her partners felt that Britain was in the best position of all because she had oil, gas and coal. Others saw it differently—that the figures did not support that conclusion. She had to say candidly that she doubted if Britain would get a broad balance next year because the structural changes would take longer.

Mr Peter Mills (West, Devon, C)—While supporting her fully on her stand, will she bear in mind that CAP reform is not only in the interests of financial problems of our country and the consumer but *also of the British agricultural producer*. If she has to take drastic action, British agriculture will fully support her in getting CAP reform.

Mrs Thatcher—We must have producers' interests very much in mind. A principle of reform which the Commission enunciated would have cut back on our milk *and sugar production*.

Most of us feel that we should be producing more food from our own resources and so we had to enter a reservation against those particular methods.

Mr Alexander Eadie (Midlothian, Lab)—Mrs Thatcher went public before she went to Dublin in informing the British people what *she intended to ask for. From the* point of view of her own credibility, she is entitled to go public and say to the British people what she intends to do if she fails. (Labour cries of "She has".)

Mrs Thatcher—He asks what would happen if we do not get our way. It was painfully obvious that a number of those at the European Council realized that there would be an immediate crisis if we did not get any further than we were at the last Council.

There are only two ways. The first is to say that there will be no further progress made on any Community decision, which would be disruptive, and the other would be something we have not so far seriously considered—withdrawing contributions. That would have considerable consequences but broadly speaking there are only two possibilities.

Let us hope we will get a great deal further before applying either of those.

Mr William Clark (Croydon, South, *C)—Most people now* accept the fact that at long last the EEC Commission realize the unfairness that exists on the budget. It would be a mistake where we are offered at least a third of the deficit not to accept that this is far better than anything offered in the past to a British Government.

Mrs Thatcher—*It was not bad* as a start, particularly when one or two countries indicated that given a little time, they were perfectly prepared to try to find more.

There will be a period of intense diplomatic activity on a bilateral and multilateral level to get the figures agreed before we go back to any further meeting. Unless figures can be agreed behind the scenes a Council meeting is not the kind of forum where increased amounts are offered.

Mr Wedgwood Benn (Bristol, South, East, Lab)—Mrs Thatcher's speeches have raised public expectations. What people now want to know is, what is she going to do about it?

Is she prepared to follow de Gaulle in boycotting the institutions? Is she prepared to amend Section 2 of the European Communities Act which would restore power to his House.

Is she prepared in the last resort to contemplate withdrawal? Because if she has no back-up, all her speeches will be sound and fury signifying nothing and she will be known not as the Iron Maiden but the paper tigress.

Mrs Thatcher—An offer of £350m for a start was not bad. I do not think boycotting and leaving an empty chair is an effective way of going about things. In some cases if you boycott, a decision can go through.

Are we going to amend Section 2? No. Are we going to consider withdrawal? No. I believe that unless it is shown that the free nations of Europe can work together equitably—and on that basis I am seeking a solution—the only people who will cheer are those based on Moscow.

Mr Nigel Spearing (Newham, South, Lab)—Many people foresaw the affects of budgetary imbalance under the own resources formula. Those who confidently stated the EEC would be flexible have been proved wrong.

Rather than fight a fruitless battle over the next 18 months it would be much better for Britain and the Community to have an orderly disengagement to the benefit of everybody concerned.

Mrs Thatcher—The answer to the last part is "No". There is not much point in *putting everything* on the own resources formula. It is not only a question of the gross contribution through levies and VAT. It is what the Community does with that when it has got those contributions in.

I think we shall get further. The question is whether we shall get far enough at the next meeting. I believe they *know how* seriously we take our case. I am grateful for support from all parts of the House to indicate that the House supports it.

Mr Julian Critchley (Aldershot, C)—Would it not have been wiser to accept the £350m offer and then, at the invitation of the EEC, return like Oliver in order to ask for more? (Some Conservative shouts of "No").

Mrs Thatcher—I had to consider that but had we accepted the £350m then we should very soon have been in considerable difficulty again. That would have been seen as full and fair satisfaction of our problem. It was not enough. We have, like *Oliver Twist*, to ask for more. We have to get a formula that will sort out our problems.

Mr John Evans (Newton, Lab)—No one is in the least impressed with her Dublin performance. She is making a laughing stock of herself throughout Europe.

The British people, who are told public expenditure has to be slashed, *cannot* understand why she simply refuses to hand over £1,000m which we are contributing to the economies of our eight partners.

Mrs Thatcher—I put the point he is making, and pointed out that £1,000m to Europe, which is fairly wealthy, is more than the whole of our aid budget. That does not make sense at all.

Our partners did not like the message we delivered for the simple reason it means them either making more contributions or taking less in receipts. They will have to *do that. After all, they know* that if we left, the EEC would have to find it. Therefore, the Community could find it with us in, and that is what the majority of other member countries will wish to do.

Mr Alan Clark (Plymouth, Sutton, C)—The majority of British people are not disposed to compromise on this issue. Whatever measures she sees fit to take to enforce concessions from the EEC will have their wholehearted and enthusiastic support.

Mrs Thatcher—I am grateful. I have always gone about this business on the basis that we cannot have a partnership unless we have equity among partners. Equity is historically a British concept and it is one we bring to the EEC.

As we have been generous to them in many ways we are entitled to expect a return understanding of our problems, and measures properly to meet them.

Mr Peter Shore, *chief Opposition* spokesman on foreign and Commonwealth affairs (Tower Hamlets, Stepney and Poplar, Lab)—Mrs Thatcher has said little to the House about her intentions. It is her intentions that the House and country want to hear about.

I invite her *to* reaffirm here what she said at the conference after the summit, namely what is at issue is our own money ... our own money.

She should assure us that in saying that, she understands the implications of what she has said. She should say that she is willing, if she is unable to make progress in the next few weeks, to come to the House and invite it to retake *its powers of control over its* own money which it abandoned seven years ago.

She should make clear in all this talk about compromise that she means what she said, and is going to stick to her guns.

Mrs Thatcher—Mr Shore is anxious to take us out of the EEC and I have to view his question *against that background. I do not* believe that would be in the interests of Britain in the wider world. I am not prepared to take Britain out.

I most certainly did say that I believe in a way it is our money and we are only asking to keep more of our own money. I am determined to try to keep as much of it as we possibly can.

The first way is by increasing the receipts, and the second and medium term, is by making structural changes. He will have been in negotiations for a long time and he knows we cannot go into negotiations and get absolute pledges.

Mr Shore—What is at stake is either our own money, *or is it the* EEC's own resources to which we have no right? This is a fundamental point to the treaties and to the Act.

Mrs Thatcher—The problem is about reducing the net contribution. It could, in addition to the £350m, be dealt with wholly by increasing the receipts from the Community. We do not even have to bring up receipts to the Community's average per head. We would recover all of the net contribution in Britain if we only brought up receipts to three-quarters of the average receipts per head in the EEC.

Modest start to new method of conserving and maintaining Britain's heritage

The National Heritage Bill had all-party support, Mr Norman St John-Stevas, Chancellor of the Duchy of Lancaster and Minister for the Arts (Chelmsford, C) said when he moved second reading of the Bill which will provide money to buy, maintain and preserve land, buildings and objects of historic and other interest.

He said that the National Heritage Fund, set up by the Bill, would be the vehicle by which successive governments would be able to show their concern and care for the national heritage.

They would all have liked a greater amount for the fund and that would have been possible, had the Public Accounts Committee not recommended *in 1957* that the National Land Fund should be reduced to £10m. That had later been enacted.

They could not undo the past and it was much better to get something started with modest sums than to wait for the day, which might never dawn, when more sums became available.

The National Heritage Fund was to be vested in, and administered by, independent trustees appointed by the Secretary of State for the Environment and himself. The existing institutions, museums and galleries, libraries, preservation trusts and the national trusts would continue to be responsible for decisions on whether to seek or acquire particular property. The initiative would lie with them to decide whether to acquire but in looking round for funds they would be able, in cases of outstanding importance to the national heritage, to obtain assistance from the Fund.

The trustees would have a large degree of independence. It would be for them to decide their own working definition of the national heritage. They would be fully accountable to Parliament through the ministers who appointed them and through the Comptroller and Auditor General who would audit their accounts.

Theywould not be able to acquire *property in their own right, except* with the express permission of ministers. There was no intention they should form their own estate or picture collection in competition with existing institutions.

The appointmnt of the chairman would be subject to the Prime Minister's approval.

They would look for a group of "cultured generalists" reflecting the whole British heritage rather *than experts in particular subjects.*

Contrary to press reports, no decisions on appointments had yet been taken. It would be inappropriate even to consider them until after second reading.

The trustees would be served by a small secretariat whose costs would be met from their grant in aid. It was hoped to set up the fund with effect *from April 1*, 9180.

The Bill fulfilled the Government's commitment to maintain the existing system of acceptance *of property in satisfaction of tax*, subject to two changes. It was necessary to abolish the National Land Fund and to transfer responsibility for the system from the *Treasury to the Secretary of State for the Environment and himself.*

The National Land Fund was expected to have £15.5m standing to its credit at the end of the current year. When this fund was wound up, the equivalane tamount would be made available in the 1980-81 financial year divided between the National Heritage Fund *and acceptance in lieu.*

Though a precise allocation was not possible at this stage, the new fund would have upwards of £12m in its first year. This would be in the nature of an endowment and it was not expected that the whole sum would be used in the first year or even the first few years.

If a really big house or some *other piece of property came along* for consideration either by the trustees of the Fund or for acceptance in lieu of tax and this exceeded, or would unacceptably deplete, the programmed expenditure the Government would have to consider whether it would be possible to make the necessary funds available. The Government was not inflexible in these matters. Equally it could not give an open-ended commitment.

It was an essential part of the Government's art policy to encourage private patronage and sponsorship of the arts. He hoped that this new fund, quite apart from its public support, would attract private support as well. It was intended to provide in next year's Finance Bill that gifts and bequests to the fund would be wholly exempt from capital gains tax and capital transfer tax.

With this Bill the national heritage would be placed in a far more secure position than it had ever enjoyed before. What had been for so long a dream of visionaries and enthusiasts was about to become a reality.

It was a measure of the importance the Government attached to the preservation of the national heritage that, despite all the pressure for a reduction of public expenditure it was rightly exerting, room had been found for this extra investment. It was not an extravagant beginning, but neither was it derisory. Great oaks from little actors grew. In future the branches of this fund wouldspread over the heritage ever more widely, protecting it from the economic storms and changes which made it especially vulnerable. If he had done nothing more than introduce this Bill his tenure of the office of Minister for the Arts would have been justifiable and worth while.

Mr Andrew Faulds, Opposition spokesman for the arts (Warley, East, Lab), said the Opposition could claim paternity in the case of this welcome little bundle. Mr St John-Stevas was simply by electoral chance and no procreative effort standing in locum parentis.

The Conservative Party was to *blame for depriving the Land Fund* of millions of pounds in 1957 and for the fact that the principle for which the fund was founded was lost from public view.

The present small-minded and niggardly proposal added gratuitous insult to gross injury.

There might be a need for special provision on occasion. If a *major house had to be bought to* save our heritage, £20m could be involved. There must be a reasonble attitude to a contingency fund.

Can we really expect this Cabinet of philistines in which Mr St John-Stevas is a lonely, lost figure (he said), to fork out that sort of money to retain our heritage?

One facility strenuously sought by the museum world which it was hoped would figure in the Bill was the provision of indemnities for loans from private sources to certain carefully chosen museums which were the responsibility of local authorities and universities.

The matter could not have come as a bolt from the blue even to a department whose liaison with and understanding of its so-called clients left so much to be desired, but there was sadly no sign in the Bill that the light had penetrated those dusty departmental dormitories which served the Minister.

When works of art were on loan to museums the likelihood of their coming on the market, often to be sold abrol was much diminished. To provide indemnities for private *loans to regional museums would* play an essential role in the preservation of the heritage at a minimal cost to public funds.

Departmental lack of timely consultation had been all too characteristic of the official approach. It *was disgraceful* that representatives of the regional and university museums were to be first convened *only tomorrow.*

The consequence of such a charade was that Parliament and everyone genuinely concerned with the art world was given much unnecessary extra work.

He hoped this breakdown of communication had dawned on the Minister. To be trusting was a virtue; to be too trusting when the *evidence failed to justify it* was to allow his charity to be abused.

If the Minister gave the Bill a brisk spring-clean and applied to a few backsides a touch of his elegant toe, all would be forgiven. The art world wished him well. They wanted to see the Bill, tidied up, on the statute book.

Mr Patrick Cormack (South-West *Staffordshire, C) said the Bill* could only be one strand of a comprehensive heritage policy. Considering that the Paul Getty museum had an income of double the resources with which they were establishing the fund they could only, at best, be talking of a safety net.

Tourism was a major growth *industry. The Government's* investment in the nation's heritage—the things the tourists came to see—brought a far bigger return than the meagre sums invested. People might be encouraged to invest in "heritage bonds".

VAT would be payable on any works which trustees carried out for repairing a building which *they had accepted.*

It would be wrong for trustees to have to shoulder the burden of VAT if necessary safety first repairs were put into action.

VAT was a significant obstacle to the maintenance of historic buildings and thus it could pose a problem to the trustees of the fund.

It was not usual in this country to pay trustees, but those of the National Heritage Fund, especially chairmen, would have a great deal of work to do. It would be unfortunate if the only people who could serve as trustees were either the very elderly, the very rich, or both. It was important that the best talents available were recruited.

Security levy at airports to increase

Mr William Benyon (Buckingham, C) asked the Secretary of State for Trade to announce the rate of aviation security levy for 1980.

Mr Norman Tebbit, Under Secretary said in a written reply: The levy rate will be increased to £1.60 from February 1, 1980. Draft amendment regulations will be laid before Parliament shortly. A small deficit was carried forward from the financial year 1978-79, when the levy was 80p. A far larger deficit is building up during the current financial year, for which the levy rate of 85p was announced on December 14, 1978, mainly because of a substantial increase in unit labour costs arising from the last round of pay settlements.

The levy has to be increased before the end of the financial year to prevent the fund's borrowing facilities being exhausted. The 1978-79 costs would have been covered by a levy rate of 83p. It is now estimated that the 1979-80 levy should have been set at £1.16 to *meet the costs incurred during the* full financial year.

It is estimated that costs in the financial year 1980-81 would be covered by a levy rate of £1.34. The increase to £1.60 from February 1, 1980 is therefore largely necessary to recover the current year's shortfall in the levy rate of 31p.

Mr Hamilton gets some advice

During questions to Mr Norman St John-Stevas, Chancellor of the Duchy of Lancaster, Leader of the House and Minister for the Arts,

Mr William Hamilton (Central Fife, Lab) referred obliquely to the Blunt affair.

Mr Hamilton had asked Mr St John-Stevas for what appointments of curators of national collections he was responsible.

Mr St John-Stevas (Chelmsford, C)—None.

Mr Hamilton—In view of recent events, it would be desirable that the minister responsible for the arts should have some responsibility for the appointment of curators for the Royal pictures in Bucking*ham Palace.*

Mr St John-Stevas—It is a private collection and has nothing to do with the Government. With regard to this matter, may I offer to him the advice of Lord Melbourne: Why cannot you leave it alone?

Welsh minister to visit Deeside

Mr Nicholas Edwards, Secretary of State for Wales, will visit Deeside on Wednesday to discuss with local authorities and those involved the plans for advance factory building and other measures to be taken around the Shotton area, he said during questions.

Mr Edwards (Pembroke, C) added that he was aware of the need for a major programme and he was already discussing with the Welsh Development Agency the details of that programme.

Public declaration of state aid for the arts

Mr Norman St. John-Stevas, Chancellor of the Duchy of Lancaster, and Minister for the Arts, said he wished the directors of the Royal Opera House, Covent Garden, would wait and see what the Arts Council decided before claiming they were about to be closed down.

Mr Michael Neubert (Havering, Romford, C) asked him when he next expected to meet the Chairman of the Arts Council and Mr St John-Stevas (Chelmsford, C) indicated it would be on December 10.

Mr Neubert—The decision of the Department of Health and Social Security to exact National Insurance contributions from employers of casual musicians poses a serious threat to small orchestral budgets. Can he persuade the minister to withdraw his predecessor's ruling and take the case out of the courts forthwith?

Mr St John-Stevas—I will raise the point with him.

Mr Edward Lyons (Bradford, West, Lab)—The most successful opera companies still require outside subsidy. In those circumstances, would he assure the chairman of the Arts Council when he sees him that the Government will guarantee the survival of full-time opera companies in this country, including the remarkably successful English National Opera Company North, the most successful innovation artistically in the north we have seen in a decade?

Mr St John-Stevas—I will do my best to secure an overall grant for the Arts Council that will enable them to discharge their responsibility, but how that grant is spent is under our constitution, a matter for them.

I appreciate the excellent work done by the English National *Opera as well as the Royal Opera* House, Covent Garden. I wish the Opera House directors would wait and see what the Arts Council decides before claiming they are about to be closed down.

Mr Andrew Faulds, Opposition spokesman on the arts (Warley, East, Lab)—In a public speech a few days ago he compared the state subvention of the arts—£120m or £140m—to private and industrial patronage running at about £5m. Would he make a personal declaration of faith in public subvention of the arts?

Mr St John-Stevas—*I am delighted* to make more than a declaration of faith: a declaration of fact in Government support for the public sector. That is and will be the major component in the support of the arts. We hope that the general level in the coming year will be the same as last year. Where I am looking for extra money, I am looking to the *private sector.*

In other exchanges Mr Dafydd Wigley (Caernarvon, Pl Cymru) said many of the arts were still overcentralized in London, particularly the live theatre and visual arts.

He asked for an assurance that if there was any reconstruction of finances for the arts, this would *not stop a move towards greater de-centralization.*

Mr St John-Stevas—Certain things have to be centralized in London, but the Arts Council with my full support is concentrating more and more of its finances on the regions. The proportion, including Wales and Scotland, of the Arts Council budget invested in the regions has grown from one-third 20 years ago to two-thirds today. That is a development I welcome.

Mr Norman Buchan (West Renfrewshire, Lab)—What is now under threat is the possibility of touring by our nationally-based opera, theatres and orchestras.

Mr St John-Stevas—The private sector has made a notable contribution in helping the Welsh National Opera to come to London. I support touring by the various opera companies, but in the ultimate event it is a decision not for me but for the Arts Council.

Committee on art exports reviewing its procedure

The Reviewing Committee on the Export of Works of Art was considering whether a procedure specifically designed for temporary exports could be incorporated into the export control regulations, Mr Norman St John-Stevas, Chancellor of the Duchy of Lancaster and Minister for the Arts announced during question time.

Mr Tam Dalyell (West Lothian, Lab) had asked if Mr St John-Stevas, was reviewing his policy on the potential export or loan of major works of art in the light of both the case of the 1,740 Dresden Cabinet, loaned to Mr Axel Springer, and the Michaelangelo Tondo, which the minister did not allow to be loaned to the Soviet Union.

Mr St John-Stevas (Chelmsford, C)—Neither of the two cases referred to by Mr Dalyell bears directly on the reviewing committee's consideration.

In the case of the Dresden Cabinet, the owner is the Victoria and Albert Museum which, as a Crown body, is not bound by the export control regulations. In the case of the Tondo, the reason for refusing an export licence lay in its unique quality.

Earlier Mr Dennis Canavan (West Sterlingshire, Lab) had asked why the committee and Mr St John-Stevas had allowed a millionaire like Mr Axel Springer to bend the rules by exporting a valuable work of art on the pretext of gifting it to the British Museum on the condition he could borrow it for the rest of his lifetime.

It is irresponsible (he said) to deprive the British public of this work of art after they had raised enough money by subscription to keep it in this country. There is no guarantee it will ever be returned here.

Mr St John-Stevas—The position is the opposite to that outlined by Mr Canavan. The purpose of the export control regulation is to ensure that the work of art concerned remains permanently, in the long run, in this country.

What that particular arrangement has secured, contrary to Mr Canavan's impression, is that after a period of years it will return to this country. It will be obtained for nothing and will enrich our art collection in the future.

Pleas rejected

The Speaker (Mr George Thomas) rejected three applications for emergency debates.

Mr Donald Anderson (Swansea, East, Lab) sought a debate on the British Steel Corporation decision to reduce steel-making capacity to 15 million tonnes.

Mr Norman Buchan (West Renfrewshire, Lab) said he wanted to debate the Government dismissal of Sir William Gray, Chairman of the Scottish Development Agency.

Mr Eric Ogden (Liverpool West Derby, Lab) said that the House should debate the closure, at an hour's notice, of the Meccano factory at Liverpool.

MPs seek restrictions on use of drug

A call for instructions to be issued stopping the use of the Depo Provera contraceptive drug on women in Wales unless they have been given the fullest explanations was made by Mr Donald Coleman (Neath, Lab) at question time.

He asked what representations the Secretary of State for Wales had received about the use of the Depo Provera contraceptive injec*tion among Welsh women.*

Mr Wyn Roberts, Under Secretary (Conway, C), replied: I have not received any representations about the use of Depo Provera. This drug is in use in Wales as a contraceptive.

Mr Coleman—There is concern among women's organizations in Wales concerning the side-effects that are reported to be experienced by those for whom this drug has been *prescribed.*

Mr Roberts—I am not aware of the deep concern to which he has referred. Depo Provera is currently licensed only for use as a short-term contraceptive in very special circumstances, where, for example, a husband has undergone a vasectomy and also in a case where a woman has been injected against rubella and the virus is still active.

I am advised the drug is well-tolerated and no significant untold effects have been reported.

Dr Roger Thomas (Carmarthen, Lab)—Would it not be better for the time being until we know the long-term effects of this injection, that it should be used only under the strict supervision of the obstetric and gynaecological *departments of our district hospitals?*

Mr Roberts—We have always taken the view in the National Health Service that doctors are free to exercise their clinical judgment, and the drug may therefore be prescribed where individual circumstances so indicate.

Parliamentary notices

House of Commons

Today at 2.30. Debate on White Paper on proposals for revision of immigration rules

House of Lords

Today at 2.30. Shipbuilding Bill second reading. Debate on May report on prison service.

(continued on page 8)

THE ARTS

Festival of Music
Cardiff

Kenneth Loveland

The piano accordion is an unlikely instrument to steal a Festival scene, but not every Festival has Mario Conway, the young Cardiff-based player of discriminating musicianship and stunning technique. His obviously dedicated advocacy could win for the instrument the serious acceptance gained by Larry Adler for the harmonica.

Conway's virtuosity prompted Phyllis Tate to write her *Romanza and Dance Caprices* of which he gave the first performance at the Cardiff Festival of Music. It is an attractive piece in two contrasted sections, the first evoking nostalgic Parisian echoes, particularly of that dance by the Seine at the start of Puccini's *Il Tabarro*, the second hinting at Neapolitan rhythms. Conway played it brilliantly, as he did part of Bach's *French Suite Number 5*.

A new song cycle from Richard Elfyn Jones, *Five Poems by Vernon Watkins* began in the style of a late British romantic, but soon discarded this for a tougher line. Yolande Jones, a young mezzo, sang it sensitively. Though well-laid out for the voice, the cycle does not really reflect the rich variety of Watkins's verse but it does have strong piano writing, emotionally descriptive and supporting, played by Arnold Draper.

The dropping of the worlds "Twentieth Century" from the Festival's title has not reduced the proportion of contemporary and near-contemporary music, something illustrated by the concert in which Henryk Czyz conducted a BBC Welsh Symphony Orchestra on top form. The brash acoustics of New Hall gave Lutoslawski's *Live pour Orchestre* a harshness foreign to this absorbing score, but in all other respects it was difficult to visualise a more lucid performance, the layers of sound blending and dispersing evenly, the string tone particularly warm and glowing.

The message of Honegger's Symphony number 3 was similarly realized, particulary the bitter protest of the March of Human Folly and the magical closing transformation into the composer's imagined world of mysterious peace.

Knowing British greatness when you see it

The Great British
National Portrait Gallery

Brassaï
Photographers' Gallery

Photography in Printmaking
Victoria and Albert

Arnold Newman's Vera Lynn, just as we supposed she would be

When photography took over where painting theoretically left off in the making of portraits, it inevitably inherited a lot of the portrait-painter's habits and assumptions. For some time, consequently, the photographer's special resource in portraiture of catching the subject off-guard, and thereby revealing something other than his (or her) composed, public face was hardly recognized, and even when it became technically possible to shoot off a couple of reels of film in the course of moving around and casual conversation the idea was not widely favoured: portrait photographs still continued as a rule to be posed as though they were paintings. Then, finally, the natural, candid camera look became fashionable—so fashionable as to be almost inescapable.

Arnold Newman, be it said has never really favoured this take-it-as-it-comes, let-it-all-hang-out approach. As befits someone who has worked most, and most famously, in the primmer, more formal circumstances of the United States and become virtually the official photographer of the American Presidency, he believes in a compromise: his sitters are posed in surroundings which are carefully selected by the photographer to reflect his view of them and their position in life, but which yet do not have the stultifying effect of the photographer's studio. The sitters obviously also have an important say in how they shall be presented; they are all very aware, at the moment the picture is being taken, that they are in fact being recorded, and so have every chance to ensure that they are recorded the way they want to be seen and remembered.

This makes for expressive but, it must be admitted, slightly stuffy pictures. In the catalogue to the present show of portraits commissioned by *The Sunday Times*, Mr Newman carefully describes exactly how he related to each of the sitters, how the backgrounds were chosen, and just how much, or how little, chance went into his pictures. As for the chance element, it is sometimes, admittedly, difficult to guess; he tells us that the haunted picture of Francis Bacon under a bare lightbulb, with a cavernous skylight looming beyond, came about quite fortuitously, and yet it looks very self-conscious. Elsewhere the effects are predictable: authors such as John Betjeman or J. B. Priestley are pictured in front of crowded bookcases, composers like William Walton or Michael Tippett with pieces of their music prominently displayed, Henry Moore amid blocks of stone for sculpture, Harold Pinter and Tom Stoppard on stage, and so on.

It is, perhaps deliberately, a "classical" approach, which sometimes gains from its formality, sometimes not. Vera Lynn at home with her knitting seems to be just the person we have always supposed her to be. Enoch Powell, in his study with a carefully stern expression, tells us a lot that he means to tell us and probably some things that he does not. Lord Home looking patrician in the Royal Gallery of the House of Lords, Lord Olivier looking thoughtful in the National Theatre, Chris Bonnington looking rugged against a very pretty rock or David Hockney looking like a David Hockney in David Hockney's studio—these all find a truth within the calculation.

With other sitters—Lord Mountbatten, Janet Baker, James Callaghan—Newman seems to settle too quickly for the obvious, and tells us little. But sometimes the people themselves speak volumes—J. B. Priestley looking wonderfully wicked, Iris Murdoch looking as though she despises the whole process—and it seems possible that a procedure which left more to chance could finally be more expressive; these Britishers would often look more believably great if they were arranged less with greatness in mind.

Brassaï is not much associated with portrait photography, but the comprehensive show of his works at the Photographers' Gallery contains two wonderful portraits, of Jean Genet and Samuel Beckett, in which the men are left to speak for themselves—no prison cells, literal or metaphorical, no books or stages—and prove able to do so without difficulty. But Brassaï is a master of instant observation—the passing moment captured for ever in a sort of time capsule, so that we shall always know just what it was like to be in that Parisian bistro watching those lovers at that precise moment in the early thirties, or always be able to read the character of that particular long-dead cat or dog, wonder at the temerity of anyone who dare so much as approach that particular redoubtable prostitute, foursquare in her carpet slippers, with fun in mind.

His most famous photographs are the "Secret Paris" series of around 1932-33, well represented in this exhibition. But the postwar work shows that he has lost none of his flair or his subtlety: the vision is as unsparing as ever, and yet the people in the streets and bars seem to be recognized and accepted, not in any way patronised. They mostly seem, too, like Diane Arbus's subjects, to be aware that they are being photographed, to trust and cooperate. Some images remain unforgettable: the curiously desolate "after" picture in the brothel, the man dressing, the fat-legged prostitute on the bidet (a whole world of glum French movies in one still), or *The Hunter and the Star*, a youth with a bicycle gazing enraptured at a giant film poster of Marlene Dietrich, or the *Large Lady looking at Shop-Window Models* of 1936. However well you know these pictures, they constantly take you by surprise.

If photography inevitably found its aesthetic to begin with in painting, the more traditional arts have not been slow to reverse the process. The show at the Victoria and Albert is amazing in the sheer range and variety of ways it shows photography to have been of service to graphics in the twentieth century (and earlier). Beardsley's fine lines, drawn for direct photographic reproduction, vie with Max Ernst's collages, Warhol's images of Marilyn Monroe, John Heartfield's anti-Nazi photomontages and the innumerable more or less fiddled-about-with photographs which occur in the prints of Richard Hamilton, Allen Jones, R. B. Kitaj and many others. Sometimes the photography is genuinely used as a starting-point for something else; sometimes it seems the original photograph would be preferable, more truly a work of art in its own right. These days the bastard child of the Muses, photography, is hardly in need of further legitimization, but evidently the traditional fine arts can do with a little assistance.

John Russell Taylor

Manfred presented as poet in motion

Jean Guizerix as the Poet

Byron's poems invite the reader to see the poet himself in many of his heroes. In his ballet *Manfred*, created for the *Ballet de l'Opéra*, Rudolf Nureyev accepts that invitation. He takes from the poem a hero dabbling in necromancy, haunted by the past, finding temporary peace among the mountains but driven by a sense of guilt to early death. But tiresome minor characters, the chamois hunter, abbot and servants have gone, their places taken by figures from life.

So we see a mother who dies while the poet is young, a sister who is his elusive ideal companion, a harsh wife who spreads scandal about him. He finds happiness for a time with, in turn, a young man, a beautiful woman and a group of friends based on Shelley, his wife and her sister. However, death repeatedly interrupts—not only the mother's, but the young man's and Shelley's.

The dead, with others still living but lost to him, form a group, increasing in number through the ballet, who invade the poet's happiness time and again, grim in black, remorselessly hounding him. At last he breaks into action as a patriot hero, finding joy, death and union with his desired Astarte (sister and Muse) in the process.

In structure and content, the ballet is a revival of a form once immensely popular but not much practised lately: what used to be called the symphonic ballet. Ideally for that purpose, its music is a piece symphonic in form, but written to a programme, Tchaikovsky's *Manfred* symphony. Composed between the fourth and fifth symphonies, it is a work on a large scale, lasting almost an hour.

Full of characteristically haunting melodies, wholeheartedly romantic (there is even an organ swelling in at the end for the hero's death), the music is worth hearing on its own account and suits its theatrical use too, giving the choreographer a firm base for his fantasy. L'Orchestre des Concerts Pasdeloup, conducted by Ashley Lawrence at the performances I attended, play it well. Improvements which have turned the Palais des Sport into quite a comfortable theatre seem also to have benefited the acoustics, so that it sounds good in the huge domed hall.

Besides its hero and 10 other soloists, the ballet uses an ensemble of about 50 dancers, many of whom appear in different guises from one movement to another. The most interesting choreography for the corps de ballet is as mountain spirits in the second scene. Nureyev has always challenged his group dancers with difficult, inventive sequences. Here they have intricate classical dances, largely arranged for seven trios swirling round the stage: tricky, but light, bright and successful.

The ensemble also becomes sometimes society, sometimes spirits called from their tombs; at one point monks engaged in a dark ritual with skulls, at others Turks or Greeks. The hero plunges among these last, boarding a pirate ship or rescuing a young woman destined for death by drowning who turns out to be Astarte, as all his found apparitions do. His decision to join the Greeks in their war of independence becomes the occasion for a wild dance of celebration in folk style.

Throughout the ballet, Nureyev's choreography has a newly-won fluency and simplicity. It shows especially in the dances with the Shelley family and in two fine duets, one between the poet and his young male friend in the first scene, another, more richly developed, between the poet and his loving countess which, with interruptions, occupies almost the whole of the third scene. Florence Clerc plays the countess with sympathetic charm and a radiant manner; a newcomer, Thierry Mongne, gives a good account of the young student who first wins the poet's love.

Among a strong cast, Wilfride Piollet stands out as Astarte, a long role in which her sensitivity to mood proves as impressive as her strength. But, by its nature, the ballet has to stand or fall by the way its central character is performed.

Jean Guizerix was meant to share the role, turn and turn about, with Nureyev, but the latter's broken toe has meant that for the moment Guizerix is dancing every performance. He gives a splendidly heroic and gloriously romantic account of the part, indefatigable in its fierce virtuoso demands, even though he has to be on stage almost throughout. Sensibly, the choreography does not try to make too much of Byron's deformed foot once it has been established by his first entry, but the allusion recurs at times as a symbol of his inner torment which Guizerix expresses convincingly.

Perhaps he could ideally look a little more of a dandy in some scenes, and I think you have to take on trust the idea that he could write poetry. Whether Nureyev (who expects to start dancing some performances about mid-December) will make more of those aspects remains to be seen, but he will have quite a task to surpass Guizerix in other respects. Anyway, the ballet is called *Manfred*, not "Byron", so absolute biography is not needed or even perhaps wanted.

The ballet season at the *Palais des Sports* runs until New Year's Day, with seven performances a week (none on Mondays). Before he ventures into the exhausting demands of *Manfred*, Nureyev will get back on stage by dancing the European premiere of the ballet Balanchine made for him earlier this year, *Le Bourgeois gentilhomme*.

Meanwhile, the programme with *Manfred* is made up of two classic ballets, Balanchine's *Apollo* and Paul Taylor's *Aureole*. The latter is on the whole the more satisfyingly danced, although there are good individual performances in both. Several of the younger dancers at all levels of the company are notable, but above all a young man, Jean-Marie Didieres, whose joyous but controlled dancing in the second male role of Aureole promises a bright future.

John Percival

Philharmonia
Festival Hall

Noël Goodwin

Impressions of the sea and the city were the main element on Sunday in the first of a short series of concerts of English music in the romantic tradition, which Andrew Davis is conducting with the Philharmonia Orchestra (further programmes are tonight and Sunday). For an island surrounded by the sea, our heritage of nautical music is somewhat on the shallow side, but the Four Sea Interludes from Benjamin Britten's *Peter Grimes* ride the crest of a springtide of invention which perpetually washes the shores of our perception, raising on the instant whatever particular image each of us may have of the sea at night and morning, in calm and in storm.

The conductor obviously had his own, which was not those of a man who exulted in it, but who perhaps had suffered the effects of its motion in the forceful, sometimes lurching rhythm that underpinned even the calmer moments in this performance, and the "Storm" interlude was presented in such distinguishable instrumental layers (the horns thrusting fiercely through the texture) that its excitement became somewhat laboured.

Not so the cry of despair that welled up from the depths of *A London Symphony* by Vaughan Williams, disturbing his contemplation of the city as he once knew it, and which he musically evokes for us not with the moist-eyed reminiscence of a Betjeman, but with the clarity and vividness of a Wordsworth and a William Blake.

Mr Davis achieved a lucid and well-balanced presentation, with much care for the placing of each incident within its context, and with alert response from the orchestra in matters of detail and in the occasional solo. The nocturnal Scherzo was less vivacious in pace than it needed to get the range of its colour into the best perspective, but otherwise tempos were well-judged and sustained. And when the uneasy finale was stilled into the rippling figure of the gentle Epilogue, I was reminded that Vaughan Williams once told his biographer, Michael Kennedy, that this had an association with H. G. Wells, who wrote of sailing down the river: "To run down the Thames so, is to run one's hand over the pages in the book of England from end to end."

Presumably in accord with some concert policy that ordains a popular concerto on Sunday nights, Beethoven was naturalized for this occasion, and Martha Arerich, despite a faulty wire at C in the treble stave which twanged resentfully at anything above mezzo-forte, played the Concerto No. 1 in C with spirit and sensitivity, though she took a prosaic view of the last movement's syncopation.

This review is reprinted from yesterday's later editions

Tomorrow: Festivals of the year—an eight-page supplement

SPORT

Cricket

Australia are forced to bow the knee to majestic Richards

From John Woodcock
Cricket Correspondent
Brisbane, Dec 3

Australia came better out of the third days play in their first Test Match against West Indies than had, at various times, seemed likely. When bad light stopped play 25 minutes early Australia, having conceded a first innings lead of 173, were 30 for no wicket in their second innings.

With two days to go the likeliest result is therefore a draw and the most improbable an Australian victory. To suit the television people there is to be no rest day in any of the three Test matches between Australia and West Indies. England, sensibly, have insisted upon having one, and as the Australians must feel tonight they may be wishing they had done the same. For the last two days the temperature has been in the nineties and it has been humid.

By the time the West Indian innings ended this evening the Australians were just about cooked, and with prolonged power cuts in Brisbane, due to unofficial strike action, they were deprived of some of the comforts a side can normally look forward to during a long, hot day in the field.

As for Clive Lloyd, now back with his team after having his knee opened up in Sydney last week (several loose pieces, the fall-out from an earlier operation, were removed) he was faced with a climb of 14 floors to his hotel bedroom, the lifts there being out of action. The management, in their mercy, brought him down to earth.

It is not possible to bat much better than Richards did for his 140. That anyone is able to play so well with a damaged hip is ridiculous. There was a time this morning when Richards and Rowe hit five successive balls to the boundary. After Rowe had off driven and then square cut the last two balls of an over from Bright for four, Richards hooked Hogg twice to midwicket and then drove him through the covers. I have never seen five finer strokes strung together; like lightning they went, all of them along the ground.

In the first 20 minutes today West Indies scored 36 runs off Bright and Hogg. That Australia took six of the last seven wickets after that for another 116 runs was much to their credit. The seventh and last they found more elusive. This is as good a Test pitch as Brisbane has had for many years. It is much more the colour of the old ones—brown enough to break a bowler's heart.

Could it, I wonder, be taken as a commentary on their declining powers that neither Thomson nor Lillee opened the bowling today? Although they finished with seven wickets between them, Lillee bowled mostly at medium pace (brisk, but seldom more) and Thomson was never fearsome.

That, though, was today. Next week, against England in Perth, it may be different. This morning the Australian to put the brake on was Chappell, by concentrating on line and length. He had been plugging away for an hour and a quarter, doing just that, when he bowled Rowe, aiming to midwicket.

With the new ball now due, Chappell gave it immediately to Lillee who had King caught at the wicket for nought. Richards continued until 15 minutes into the afternoon, hooking with such certainty and power whenever Lillee, Thomson or Hogg attempted a bouncer that even Thomson was moved, once, to applaud. This was Richard's ninth Test hundred and his second against Australia. It ended when, driving at Lillee, he gave a catch to Marsh off the inside edge.

Marsh took five catches in the West Indian innings. He also dropped Rowe off Thomson, a chance that would have made a catch to Chappell at slip had Marsh not gone for it. The catch which accounted for Richards was Marsh's best. Standing back he rates with the best goalkeepers; standing up he is a better wicketkeeper than many thought he ever could be. By the late afternoon he could have stood up to Hogg and Lillee, if not to Thomson without coming to any harm.

Even so, never long passed between lunch and tea without a wicket falling—until the last pair came together. It was as they strove to separate Garner and Croft that the Australians looked the worse for wear. For nearly nine hours they had been out in the sub-tropical sun. Hogg was bowling off a half run, if that; Hookes was given five overs of "chinamen."

While Croft propped defensively forward, Garner occasionally launched himself upon an enormous hit, four of which went for six. In 80 minutes Garner and Croft added 56 runs. For Australia the one consolation of this was that by the time Lillee pleaded successfully with umpire Crafter to give Garner out there was not long left for Australia to bat.

AUSTRALIA: First Innings 268 (B. Laird 92, G. Chappell 74, J. Garner 4-55).

Second Innings

R. McCosker not out	25
B. Laird not out	5
Total (no wicket)	30

WEST INDIES: First Innings

D. Haynes c Marsh b Thomson	42
G. Greenidge c Marsh b Lillee	34
V. Richards c Marsh b Lillee	140
A. Kallicharran c Marsh b Thomson	38
L. Rowe b Chappell	50
C. King c Marsh b Lillee	0
D. Murray c McCosker b Thomson	21
A. Roberts run out	7
J. Garner lbw b Lillee	60
M. Holding b Bright	17
C. Croft not out	2
Extras (nb 28, b 5, lb 3)	36
Total	441

FALL OF WICKETS: 1—68, 2—93, 3—198, 4—317, 5—317, 6—341, 7—363, 8—366, 9—385.

BOWLING: D. Lillee 29.1—2—104—4, R. Hogg 25—5—55—0, J. Thomson 24—4—90—3, R. Bright 32—9—97—1, G. Chappell 12—5—33—1, A. Border 5—1—19—0, D. Hookes 5—0—15—0.

End of an innings: Lillee signals Garner's demise and brings Australia much relief.

Batsmen hope to reap a rich reward

New Delhi, Dec 3.—The second Test between India and Pakistan, starting here tomorrow, could end as indecisively as the first at Bangalore. The closely-shaven pitch, which has been rolled hard, looks ideal for big scoring. It appears even more perfect than it was six weeks ago when India and Australia played on it.

In that match Australia were bowled out for 298 in reply to India's 510 for seven declared. But in the second innings they scored 413 to force a comfortable draw.

INDIA (from): S. M. Gavaskar (captain), C. P. S. Chauhan, D. B. Vengsarkar, G. R. Viswanath, Yaspul Sharma, R. Binny, S. M. H. Kirmani, Kapil Dev, K. D. Ghavri, S. Yadvac, D. Doshi, S. M. Patil.

PAKISTAN: Majid Khan, Mudassar Nazar, Zaheer Abbas, J. Miandad, Wasim Raja, Asif Iqbal (captain), Imran Khan, Wasim Bari, Iqbal Qadir, Iqbal Qasim, Sikander Bakht.—Reuter.

Willey and Miller promoted for practice

From a Special Correspondent
Adelaide, Dec 3

England's batting order against South Australia tomorrow, their last first-class fixture before the first Test in Perth on Friday week gives a thinly veiled hint as to how the selectors' minds are working for that match. Peter Willey and Geoffrey Miller, normally to be found in the middle of the order, have been promoted to numbers three and four, an inference the selectors want them to have as much practice as possible before the Test.

The team flew in today after a four-hour journey from Hobart to find the thermometer had risen from 15° C to nearer 30, with no breeze to cool the air. The heat in the streets was blistering and if the sun beats as fiercely for the remainder of England's stay here, nobody will be more grateful that only three days have been allotted for the game than Graham Stevenson, who makes his first appearance after arriving a week ago in Sydney. He substituted for Graham Dilley during Tasmania's second innings at Hobart, but is having trouble with his sleep and needs more time to get acclimatized.

Willis and Dilley have been given the match off. Botham and Lever will share England's new ball with Stevenson first change.

Ian Chappell returns to captain the South Australia side after three weeks' suspension as a result of an altercation with an umpire. He is expected to bat at number three behind Nash and Darling with Loverarity, who has led the side in his absence, dropping down a place.

Chappell, who is 36, is hoping to regain a place in the Australian Test team. He played the last of his 72 Tests in Melbourne against the West Indies in February, 1976.

The three-day game against England is Chappell's only opportunity to force his way into the national side before the Australian team is chosen after the Test match now being played in Brisbane. "I've been training hard for the game", Chappell said today.

The South Australian selectors have chosen two new state representatives for the match—Ross McLellan, a fast bowler, and David Lovell, a batsman.

ENGLAND: M. Brearley (capt), G. Boycott, P. Willey, G. Miller, I. Botham, W. Larkins, D. Gower, D. Bairstow, R. Taylor, G. Stevenson, J. Lever, D. Randall (12th man).

SOUTH AUSTRALIA: I. Chappell (capt), R. Darling, G. Nash, P. Sleep, A. Mallett, G. Attenborough, J. Crowe, J. Hammond, T. Robertson, W. Prior, R. McLelland, D. Lovell.

MELBOURNE: Sheffield Shield: Western Australia 195 and 182; Victoria 251 and 130 for four (D. Whatmore 70 n-o). Victoria won by six wickets.

ADELAIDE: Sheffield Shield: South Australia 325 and 232 (J. Nash 73); New South Wales 264 and 266 (D. Walters 80, G. Beard 68 n-o, G. Attenborough four for 37). South Australia won by 27 runs.

Squash rackets

Landmark unveiled as open day looms

By Rex Bellamy
Squash Rackets Correspondent

The £4,700 British national squash rackets championship sponsored by Thorntons at Abbeydale Park, Sheffield, has turned out to be an interesting landmark in the national history of the game. It is an inaugural event, the first such championship in which professionals and amateurs have competed together. As such it marks a transition to the open game—the abolition of distinctions between players—that is now imminent. Its transitional importance is also reflected in the fact that players of three generations (in squash terms, anyway) took part in yesterday's quarter-final round.

The youngest of these represented a new breed of British professionals, a consequence of the accelerating growth of squash in a favourable climate. British weather almost insists that, in order to expand, rackets games must be based on the widespread provision of permanent indoor facilities. That is one of the main reasons why British squash is thriving and British tennis is not.

Bryan Patterson, at 33 the oldest player to reach the last eight at Abbeydale Park, reckons Britain's talented and ambitious young professionals could be described as the first fruit of the junior development schemes launched six years ago by the first national coach, Anthony Swift.

Patterson suggests, too, that Britain's success at amateur level—five weeks' ago Britain won the world amateur team championship for the second time—has stimulated wider ambitions.

Some of the youngsters are better at playing rallies than finishing them, and are also tactically predictable, but all are benefiting from increasingly intense competition. Four players—Gawain Briars, Ian Robinson, John le Lievre and Richard Mosley—signed professional contracts this year with a specially formed company based at Hatfield, Multisquash Management Services, in which they all have shares.

More and more young professionals are finding means of earning a living promarily from competition rather than coaching. In this they are being encouraged by increasing sponsorship. Commercial companies are well aware that, in spite of a dearth of publicity and restricted accommodation for spectators, squash must already be among Britain's three or four most popular participant sports.

Football

Ground closure threat to Forest and Norwich

By Norman Fox
Football Correspondent

Nottingham Forest and Norwich City supporters watching this week's Football League Cup fifth round matches would be advised to take firm control of themselves after the violence of the weekend that will lead to inquiries by the Football Association. If the FA decided that Saturday's incidents, in which two goalkeepers were injured, were sufficiently serious and that the clubs ha dnot taken all reasonable precautions, the grounds could be closed.

Norwich are immediately placed under scrutiny because their Cup tie against Liverpool tomorrow night is at Carrow Road, where Aston Villa's goalkeeper, Rimmer, was hurt by coins thrown shortly after two players had been sent off. Forest's tie against West Ham tonight is at Upton Park, but any trouble from their travelling supporters would compound last Saturday's incident in which the Arsenal goalkeeper, Jennings, was hurt by a dart.

The violence marred a season that, hitherto, had not been badly abused by the minority holligan element, but Norwich, Nottingham Forest, the FA and the Football League are taking the incidents seriously because goalkeepers are such vulnerable targets. Although at the time Jennings made little of the fact that a dart embedded itself an inch or more into his arm, later he said it was becoming a regular occurrence to be bombarded with ballbearings and coins.

At least two first division clubs have made efforts to avoid the risk of goalkeepers being hurt by not allowing spectators into an area of terracing behind the goals. Tottenham and Everton have done this. Norwich are considering the idea as well as having nettings to stop missiles. Graham Kelly, the secretary of the Football League, suggested yesterday that spectators should be more closely searched by the police.

For those genuinely interested, the fifth round of the League Cup is an attractive mixture of matches with historical links and possible surprises. The holders, Forest, after a month of unusual indifference, are unlikely to find much comfort at West Ham where of late Brooking has ben inspiring good performances with the notable and ill-timed exception of last Saturday when he was out of touch against Charlton Athletic. Arsenal meet again with Swindon Town, the last third division club to win the trophy. Ten years ago Swindon beat Arsenal 3—1 at Wembley.

On Saturday Nottingham Forest were saved from their fourth consecutive league defeat when, with 20 seconds left, Birtles scored against an Arsenal team encouraged to discover that they could more than match the European Cup holders despite the absence of Brady, who was injured. Tonight Brady could be fit enough to play against Swindon, as could Rice, the club captain, but with Devine performing so well at full back, the defence may remain unchanged.

West Ham will be at full strength against Forest who are attempting to win the trophy for the third season. Peter Taylor, Forest's assistant manager, said he was looking forward to a "magical" tie, and certainly West Ham will be keen to show that they are ready to regain a place in the first division. Forest's captain, McGovern, is likely to miss the game because of a leg injury and Bowyer is definitely unavailable.

Grimsby hope to ride the confidence that they gained by beating Everton in the fourth round. Today, with home advantage over Wolves, they have their sights set beyond the next round and as far as Wembley itself.

John Barnwell, the Wolves manager, is familiar with lower division football, having managed Peterborough United and yesterday he told the players who on Saturday beat Manchester City at Maine Road that this could be "the toughest battle of your lives". Emlyn Hughes could be forgiven a wry grin.

Banks dismissed: Gordon Banks, the former England goalkeeper was dismissed yesterday as Port Vale's reserve team coach after the weekend resignations of Alan Bloor as manager and Les Shannon his assistant. Bill Bentley, the first team captain, will take over as caretaker manager while the position is advertised.

Sunderland break club record

The Sunderland manager, Ken Knighton, broke the club record for the third time this season when he paid £420,000 yesterday for Claudio Marangoni, the Argentine midfield player.

Marangoni (25), from San Lorenzo, forfeited the chance of playing for his country when he was given Italian citizenship last week to overcome the problems of obtaining a work permit.

International clearance was received from the Argentine FA yesterday morning and Marangoni, who had stayed the weekend with Tottenham's Osvaldo Ardiles, travelled to Sunderland to complete the deal.

Marangoni will make his first appearance in Saturday's home game against Cardiff. His signing will help soften the blow of losing John Hawley, who is likely to be out of action for at least a month. Hawley, bought for £200,000 from Leeds, only returned to the side last Saturday after missing the six previous matches

Last match may prove decisive

Zurich, Dec 3.—England will not meet Hungary, potentially their toughest opponent, in the World Cup qualifying competition until June, 1981. Five months after that match in Budapest, the Hungarians come to London for the last match and one which could easily determine the group leadership.

Two of the five competing countries qualify for the finals in Spain in 1982. England will play the opening match in group three, whose dates were agreed here today. They start with a home match against Norway on September 10 next year, visit Romania the following month and play host to the Swiss a month later.

1980: Sept 10: England v Norway; Sept 24: Norway v Romania; Oct 15: Romania v England; Oct 29: Switzerland v Norway; Nov. 19: England v Switzerland.

1981: April 29: Switzerland v Hungary, England v Romania; May 13: Hungary v Romania; May 20: Norway v Hungary; May 30: Switzerland v England; June 3: Romania v Norway; June 6: Hungary v England.

Sept 9: Norway v England; Sept 23: Romania v Hungary; Oct 10: Romania v Switzerland; Oct 14: Hungary v Switzerland; Oct 31: Hungary v Norway; Nov 7: Switzerland v Romania; Nov 18: England v Hungary. Date not yet fixed: Norway v Switzerland.—Reuter.

Rugby League

Bramley have to sell to survive

Bramley put their loose forward, Bond, on the transfer list at £15,000 and a wing, Rowett at £10,000 last night. They are also putting 10 reserve players, some with first team experience on the list.

Douglas Alton, the second division club's chairman, said: "We dont' want to lose these players, but the financial position is such that we have to sell to survive." The club is to move a resolution at the annual meeting of the league in June, calling for the abolition of two divisions

Skiing

Miss Iliffe is greeted with a cold shoulder

From John Hennessy
Val d'Isère, Dec 3

Valentina Iliffe is back in the British team. However, she is a member in name only, an unwelcome intruder in the team hotel and apparently an enforced absentee when the team is in training for the World Cup races here this week.

It is the reverse situation to that of Konrad Bartelski, who has found himself among friends. Miss Iliffe comes and goes almost unnoticed. It is a sad, far cry from the start of the decade when she became, at 13, the youngest skier ever to take part in the world championships, a record that will live for all time since an age-limit has now been established at 14.

Miss Iliffe, like Bartelski, fell out with authority; but unlike Bartelski, she has been given not so much a cold shoulder as no shoulder at all. She arrived on Friday to discover no room had been reserved for her.

She now trains with the Italian team, where she is treated "as one of the gang", and has almost no point of contact with her compatriots except for superficial chit-chat at meals and the stony granting of transport in the morning to the ski lifts. She does not feel she is a member of the team any more and yet, "I'm here to ski for Britain, not racing for Tom and Jerry".

The atmosphere, she says, not surprisingly, is tense—as if things are not bad enough already for any skier facing the hazards of a downhill race. Furthermore she has little time in which to prove her point. The National Ski Federation, to her dismay, have entered her for only two events—the other is at Piancavallo next week. She will be told then whether or not she will be chosen for the Olympic Games next February.

But ho wto prove herself? The yardstick was to have been simply whether or not she could beat Moira Cargill, the other senior member of the British team. But Miss Cargill left for home today nursing an injured arm and ankle after a fall on the downhill course. Miss Cargill hopes to be back for Piancavallo and the only other British woman skier will be Kirsten Cairns, a young pretender whom Miss Iliffe beat by seven seconds in training today.

Since been suspended Miss Iliffe has survived on "an enormous grant from the Sports Aid Foundation", a more modest one from the Kandahar Ski Club and the support of her father.

This is Miss Iliffe's last season, whatever happens. She is fighting now, against all the odds. "I want to show I'm not the hopeless case some people believe me to be. There are many others on my side and I'm determined to prove to people who've backed me up for the last 10 years that it wasn't all wasted. And I'd like to give my father the satisfaction of knowing his faith in me was justified."

Miss Iliffe admits she can be hard to handle, but "anyone I respect can get anything out of me". Respect seems in short supply in these parts just now.

VAL SENALES, Italy: Men's special slalom: 1, I. Stenmark (Sweden), 2min 4.2sec; 2, B. Krizaj (Yugoslavia), 2:4.32; 3, G. Thoeni (Italy), 2:4.35; 4, J. Kuralt (Yugoslavia), 2:5.01; 5, P. Popangelov (Bulgaria), 2:5.26; 6, A. Steiner (Austria), 2:6.62.

Boxing

Young peril as Gardner tries to prize open oyster

By Srikumar Sen
Boxing Correspondent

The British heavyweight champion, John L. Gardner, attempts to open the world championship oyster at Wembley tonight. If he does well against Jimmy Young, of the United States, he will meet Larry Holmes, the World Boxing Council champion. But as Willy Loman, that impossible but lovable sporting enthusiast in Arthur Miller's *Death of a Salesman*, says: "The world is an oyster, but you can't crack it open on a mattress." That is why Young is here. He has beaten Lyle and Foreman, drawn with Shavers and lost controversial verdicts against Norton and Ali.

The 31-year-old Young may be over the hill and down on stamina and luck, but after watching him in the gym I cannot see how Gardner can beat him. Gardner has plenty of heart, and is not averse to carrying the fight to the big man, heavier by one stone and a half, but the two men are league apart. Young is in the mould of the big heavyweights, with that overall rounded appearance. His upper arms and neck are like bollards and his wide chest tapers down to light feet.

Carrying his armament close to his body, he moves easily across the ring, but with all the time in the world, every so often giving a little shuffle, like a wink. When he cuts loose, *when* he cuts loose, the blows move a short distance, but they seem to travel together, thus having the effect of one big punch. One such barrage shifted the heavyweight Tony Moore a good six feet.

If he wants to, Young can keep Gardner out with his left hand, and let the British boxer churn away at the air. But will he? That is what his mentor, George Benton, is worried about, though he assured the watchers that his charge would be all right on the day.

One boxing expert, who has seen more of these world-class heavyweights than I have had hot curries, tells me that Young is quite likely to go to sleep every now and then, as he did against Ali just when he was winning. In that case, Gardner has only got to do what comes naturally—swarm all over the sleeping giant.

Young may just roll his shoulders and cover up and try to ride out Gardner's non-stop attack, hoping the British boxer will puff himself out. But Gardner can keep on going and going, not very elegantly, perhaps, but all the same piling up the points.

American promoters, however, have decreed that Gardner must impress. Though I am at a loss to understand how he can impress against a man like Young. I asked Terry Lawless, Gardner's manager, about this, and all I got was his infectious smile. The Wembley crowd should give some idea of Gardner's drawing power in the United States.

In the main event of the evening, somewhat dwarfed by the presence of the big American, Gardner's diminutive stablemate from the lively Lawless camp, Charlie Magri, makes his first European defence against Manuel Carrasco, of Spain.

The little man from Stepney is on a steady course for a world championship bout, but the American shores are still far away. Though it may not be plain sailing tonight against Carrasco, the British boxer should not be unduly troubled. In 1973 he beat the Spaniard over eight rounds and has also handled mutual opponents like Nessim Zebelini, of France, and Franco Udella, of Italy, much more effectively.

The southpaw Spaniard is durable, however, and could take Magri the distance. But the British boxer is more mature now and fit enough not to let this affect his performance. He is a training fanatic and does everything in the gym in a neat and precise way, from the lacing up of his boots to the two-handed onslaught on the bag that can be heard the other side of the Barking Road. He should deal with his opponent just as thoroughly.

Also on the card is Dave Green, the Fen Tiger, trying to regain his stripes after his knockout by the Dane, Jorgen Hansen. Green meets a man whose name seems more like a film star's than a boxer's—Dick Ecklund.

Sibson in world title offer

Charles Atkinson, the promoter, has offered the world middleweight champion Vito Antuofermo 150,000 dollars to defend his title against the former British champion, Tony Sibson from Leicester, at Liverpool Stadium early next year.

Mr Atkinson said in Glasgow that he had contacted the world champion's manager, Tony Corlino, in New York with a view to making the match. "Antuofermo says he is willing to defend his title against Alan Minter in June. Well, if he wants an easy pay day I'll match him against Sibson at the stadium in February", Mr Atkinson said.

For Sibson to be allowed to challenge for the title he would have to be in the world's top 10, and at present he is not. Antuofermo retained his title by drawing with Marvin Hagler in Las Vegas on Friday.

Today's fixtures

Kick-off 7.30 unless stated

LEAGUE CUP: Fifth round: Arsenal v Swindon Town, Grimsby v Wolverhampton Wanderers; West Ham United v Nottingham Forest.

FOURTH DIVISION: Rochdale v Aldershot.

ISTHMIAN LEAGUE: Premier division: Enfield v Dulwich Hamlet, Harlow v Tilbury; Hendon v Hayes, Hitchin v Woking; Slough v Leatherhead; Tooting and Mitcham v Staines. First division: Bromley v Aveley, Clapton v Harwich and Parkeston, Farnborough v Metropolitan Police, Hampton v Maidenhead; Horsham v Kingstonian, Leytonstone and Ilford v Ware, St Albans v Bishop's Stortford: Walton and Hersham v Camberley; Wokingham v Wembley. Second division: Hungerford v Hemel Hempstead.

RUGBY LEAGUE: First division: Wigan v Bradford Northern.

Rugby Union

Fit again, Thornton plays on the Cambridge wing

By Richard Streeton

Oxford and Cambridge both announced their teams yesterday for the University match at Twickenham next Tuesday. Oxford, who include seven of their eight available Blues, named a team generally predicted but after a frustrating term marred by numerous injuries, Cambridge were able to choose a full strength side for the first time this season.

James Thornton, an England under-23 centre who has not been available since injuring ankle ligaments against Leicester on November 10, was the last of Cambridge's walking wounded to declare himself fit. Thornton is selected on the right wing, there being an understandable reluctance to tamper with the pairing of Laycock and McGahey who have established a good understanding in midfield during his absence.

Thornton arguably lacks the basic, genuine speed of a natural winger but possesses too much footballing talent to be omitted. He finally confirmed his complete recovery when Cambridge had a practice at Twickenham yesterday under the scheming eye of Carwyn James.

Oxford have atoned for other shortcomings this winter by enthusiasm and determination, instilled by their captain, Enevoldson. A strong front row and an outstanding No. 8 in Mallett are the chief assets of their forwards.

OXFORD UNIVERSITY: *T. M. B. Davis (University of Western Australia and Balliol); *E. A. K. Quist-Arcton (Taunton and St Benet's), S. J. Halliday (Downside and St Benet's), A. C. Thomas (Colston and Keble), *D. R. Woodrow (Queen Elizabeth GS, Wakefield and Regent's Park); *R. B. Clark (Brinkburn CS, Hartlepool and Christ Church), D. J. Morgan (Babbake and Keble); *T. W. Jones (Mill Hill and Wadham), S. M. Hoemeyr (University of Cape Town and University), *T. P. Enevoldson (RGS Newcastle and Brasenose, captain), *K. J. Budge (Rossall and University), N. T. Roberts (Glenalmond and Jesus), W. E. A. Morrison (Felsted and Oriel), N. V. Mallett (University of Cape Town and University), C. N. Bray (Leeds GS and Keble).

CAMBRIDGE UNIVERSITY: *L. R. Metcalfe (King Edward's, Birmingham and St Catherine's); *J. T. Thornton (Dulwich and Magdalene), A. M. J. McGahey (King's College, Taunton and Fitzwilliam), A. M. Laycock (St Michael's College and Emmanuel), *R. R. Tyler (Cheltenham GS and Fitzwilliam); W. M. H. Rose (Loughborough GS and Magdalene), I. G. Peck (Bedford and Magdalene, captain); *R. J. Stevenson (Haberdasher Aske's and St Catharine's), W. G. Gilliland (Methodist College, Belfast and Trinity), N. A. Slothard (Hymers College, Hull and Selwyn), P. J. Ackford (Plymouth College and Magdalene), *J. N. Ford (Millfield and Emmanuel), P. S. Chalmers (Fettes and St Catharine's), *S. F. Glanvill (Exeter and Pembroke), A. J. Macklin (Felsted and St John's).

* an old Blue.

Now is the time for all who are 'rugby daft' to stand up and be counted

England's search to dress the shop window

By Peter West

John Burgess is a bluff, gregarious, sometimes aggressive Lancastrian whose drive and business acumen, as managing director of a firm of engineering contractors in Manchester, has earned him a CBE for export services to industry. He played rugby for Broughton Park and Lancashire, became a member of the Rugby Football Union committee in 1967, coached his county and the national XV in the seventies and is the sort of man you are glad to have on your side when the shot and shell are flying.

Now, as chairman of the union's new playing sub-committee, he is roaring round the regions seeking to discover from administrators, coaches, captains and referees, at club and county level, what they think must be done to get England winning consistently again.

Burgess has as intense a dislike of English failure as Dick Jeeps, another pugnacious and tenacious character who embarked on a similar barnstorming exercise when he was president of the union three seasons ago. Jeeps, with support for his thinking, then talked his committee into introducing an inter-divisional championship.

playing sub-committee are David Brooks, junior vice president of the union "Budge" Rogers, chairman of the national selectors; Ron Jacobs, that pragmatic, oak-like Northampton and England prop; Captain Mike Pearey, representative of the Royal Navy on the RFU; Tony Jordon, the Bedford and England full back who represents Eastern Counties; and Don Rutherford, the RFU's technical administrator, acting as secretary.

The chairman introduces himself to the assembled gathering of the South and South-West in Exeter: "If you're not rugby daft", he asserts, "then I'm not sure why you're here". He has always been one to call a spade a something shovel.

He goes on to say that he is regularly ashamed of watching English club rugby on television, and then comparing it with the quality of the Welsh variety that follows it of a Sunday afternoon.

Burgess: in a hurry to get the answers right.

"But England's performance is the shop window of our game", he adds, "and one of the aims of this committee is to look for a general consensus for a playing structure that encourages the ambitious player.

"We want to consider whether Don Rutherford's position at Twickenham should be supported by four full-time officials in the divisions. We need to review our coaching methods and organization because after 10 years we're not getting results. And we want to find out why so few of the players in our successful colts and youth teams go through to the senior England side. We're in a hurry to get the answers right".

He stresses that his committee will be reporting directly to the executive committee of the union. "David Brooks is on that commitee. So am I. And so is the senior vice-president of the union, John Kendall-Carpenter, who supports what we're doing."

Before the meeting is thrown open to the floor, Jorden quietly poses an important question: "What, for the sake of England, are you and your club prepared to sacrifice?" The answer to that, judged by some of the parochial and entrenched thinking soon on offer, is "not much".

It is a long time before anyone stands up to comment on the quality of rugby played in England and the coaching that produces it. Then Bill Redwood, the former Bristol and England scrum half, observes that he was alarmed, on returning home after seven years abroad, to see how sheer footballing quality had declined.

Another Bristol and England stalwart, David Watt, presses strongly for club leagues and for the county championship to be conducted on a knockout basis. Derek Morgan, the England selector and former international forward, points out that even as things are structured now, some of the best players in the south-west are guaranteed only three county games. He wants the RFU to nominate 16 leading clubs and then to encourage other clubs to feed through their best players.

These are positive thoughts and, on the whole, although much of the discussion is woolly, several discernible trends emerge. Pearey, summing up, reflects on a consensus for more organised competition rugby, and on a strong desire in te division for the county championship as well as leagues. The delegates seem united in wanting the RFU to give a positive lead.

This consensus, it appears, was reflected even more positively at one of the committee's northern seminars, at Orrell. Club representatives there were in favour of leagues democratically structured, its members standing or falling on results. It was thought at Orrell that there should be one acknowledged step between major club rugby and an England jersey. Whatever the case, the best players had to be told in the most specific terms the sequence of rungs on the ladder. Leading performers wanted to play just once a week.

The call for strong guidance and action from the RFU came through even more loudly at Orrell. In effect it said: "You'll never please everybody, whatever your decision. But tell us what has to be done, and we'll do it."

John Burgess is one of the world's doers, and a persuasive salesman. He is hoping to have a discussion with members of the England training party when they next meet early in January, but expects to have his report and recommendations virtually completed this side of Christmas.

Motor racing

Thackwell is youngest man to win Grovewood award

By John Blunsden

At the end of only his second season of motor racing, an 18-year-old from New Zealand, Mike Thackwell, has won the leading Grovewood award as the most promising British and Commonwealth driver of 1979. He is the youngest recipient in the 16-year history of the awards, which were presented in London last night by the former world champion, John Surtees.

Nigel Mansell, from Birmingham, secured the second award for an impressive season as a member of the Unipart Formula Three team, and third place went to Terry Gray, of Wye, Kent, for a highly sucessful year of Formula Ford racing. Two other Formula Ford drivers, James Weaver, from Harlow, Essex, and David Sears, son of the former British saloon car champion Jack Sears, from Thetford, Norfolk, earned special commendations.

Although the escalating costs of motor racing have tended to diminish the cash value of a Grovewood award (£1,000 for the top driver down to £100 for a commendation), to secure one means as much to a young and ambitious racing driver as does an Oscar to a potential film star, if only because they are used by leading team managers as a major source of talent-spotting reference.

The winning drivers are chosen by an independent panel nominated by the Guild of Motoring Writers and comprising motoring journalists closely involved in the sport. Their voting track record has been an impressive one; more than 20 award winners have subsequently become grand prix drivers, one (James Hunt) became world champion, and another (Alan Jones) won four grands prix this year—more than anyone else.

Jones, from Australia, also played an important part in enabling Thackwell, who now lives in Wargrave, Berkshire, to become this year's top Grovewood driver. After a season of Formula Ford racing in 1978, Thackwell moved up to Formula Three this year, but after winning the supporting race to the British grand prix at Silverstone in July he had to announce his retirement through lack of funds.

Jones, impressed with Thackwell's rare talent, stepped in with a personal sponsorship contract, and this enabled him to continue. He ended the season with six victories in the year's most competitive sport of motor racing, and is now being considered for the March Formula Two team as the next logical stepping stone towards Formula One.

One interesting fact emerges from the careers of this year's three top award winners: all of them moved into motor racing after a period of kart racing, a route which was also travelled successfully by a number of former winners. As in most sports, it pays to start early.

Table tennis

Europe's best ready for a 12-hour day

By Richard Streeton

Most of the leading European men's table tennis players will be competig for a £750 first prize in a one-day tournament spread over 12 hours today at the Black Lion Sports Centre, Gillingham. It is the fourth leg of seven counting this winter towards Norwich Union's grand prix series.

Desmond Douglas, England's No 1, is among those appearing and has already qualified from the series for the Masters' tournament at Preston next May. The leading 14 points scores from the grand prix compete at Preston, together with the world champion, Seiji Ono, of Japan, and the winner of the Europea title in Berne next April. Bengtsson (Sweden), Klampar (Hungary) and Xie Saike (China) are expecte dto dominate today

England's national selection committee have revised their ranking list. Paul Day's regular appearances and return to form move hi mfrom No 14 to second place behind Douglas, with John Hilton now No 3 followed by Graham Sandley and Max Crimmins. Against Poland in Warsaw on Thursday England's European league team is unchanged: Douglas, Hilton, Day, Jill Hammersley and Linda Jarvis.

Olympic Games

Stones is one of three banned from Moscow

The Hague, Dec. 3.— Three athletes were barred from the Moscow olympic games, here today. They are Guy Drut, of France, and Dwight Stones and Brian Oldfield, both of the United States.

They have already been suspended from amateur athletics because they received payments in connexion with their sporting appearances.

The president of the International Amateur Athletic Federation (IAAF), Adriaan Paulen, revealed today that requests from the French and American athletics federations for a reinstatement of the athletes as amateurs had been refused. However, he said the question would be discussed again atthe IAAF congress in Paris on March 10.

Dr Paulen added: "But it is not only the IAAF that must decide this. The international olympic committee will also decide it. If the IAAF annuls the suspension of these athletes it will depend entirely on the Olympic congress, which meets three days before the Moscow games (the games start on July 19), whether or not they will be admitted to the games. At that stage the entry period for the games will be over.

—Agence France-Presse.

SPORT

Francois Boutin and Philippe Paquet eye the English classics after a victorious French season

Three Troikas is harnessed to success

m Desmond Stoneham
nch Racing Correspondent
is, Dec 3

ne French flat season closed afternoon at a sunny Maisons-itte. In three months at Saint-id the racing community will semble for the start of the programme. The final statis of the past season are not yet ished but some of the lead-personalities are already vn. The Aga Khan is *the most* essful owner, François Boutin leading trainer and Philippe net the champion jockey.

llowing her brilliant victory ie *Prix de l'Arc de Triomphe*, e Troikas heads the lists of ings for a racehorse. She is wed by Irish River, Top and Le Marmot. *Not unex-*dly Lyphard is the top on and Nijinsky the leading of two-year-olds. This was ly due to Princess Lida who *d up £78,000 in her* four igs.

e Aga Khan had his colours ssfully carried on 91 occa-this season. His horses won £680,000 and £177,000 of that due to the wonderful per-inces of Top Ville. In the part of the season the son igh Top *picked up the Prix* uiche, Prix Lupin and the du Jockey Club. The last races were run in record Next season Top Ville will at the Aga Khan's Haras de eval in Normandy.

ond in the owners' table Madame Alec Head with ngs of £632,000. More than *his* was attributable to Three as. Madame Head's horses ained by her daughter, Chris-(Criquette), whose father, *is responsible* for the horses ging to Jacques Werthelmer, nished third i nthe owners' with £614,000 to his credit. Werthelmer's best winners were Gay Mecene (Grand Prix de Saint-Cloud) and Princesse Lida.

François Boutin has had a remarkable season. This immensely liked 42-year-old Norman has saddled around 100 winners in the Paris region. These horses have won £1.5m for their owners and, when you add Boutin's European winnings in England, Italy, Ireland and Belgium, the grand total comes to nearly *£1.8m*. Boutin's leading moneyspinner was Le Marmot who, in six races during 1979, won the Prix Greffulhe, Prix Hocquhgt and Prix Niel. This son of Amarko was second to Top Ville in the Prix du Jockey Club and runner-up to Three Troikas in the ARC de Triomphe before running third in the *Washington* DC International at Laurel Park.

Another tough little customer from the Boutin yard was Northern Baby, who, like Le Marmot, stays in training next year. He was placed in the English Derby and Eclipse Stakes and then had a fine victory in the Champion Stakes at Newmarket. The *wiry Salpinx com-*pleted a hard season with a well deserved win in the Prix du Conseil de Paris. But Boutin's strength lies in his two-year-olds even though *they won no top* events. Undoubtedly the finest performance I have witnessed this year was by Nureyev in the seven and a half furlong Prix Thomas Bryon at Saint-Cloud last month. A refugee from England, thanks to penal VAT, Nureyev is as good as La Lagune and Nonoalco, according to Boutin.

In her second year as a trainer Miss Head has had a fantastic season. She has sent out 148 horses to various French tracks and they have trotted up 39 wins. Her handling of the physically magnificent Three Troikas was excellent. Having reeled off the Prix Vanteaux, Poule d'Essai des Pouliches and Prix Saint-Alary, Three Troikas was just pipped by Dunette in the Prix de Diane. The daughter of Lyphard was stiff after her defeat so was rested until the Prix Vermeille. This Group I event was also taken by Three Troikas, but only by a short head from Salpinx. Most sensibly, Miss Head had remembered that the Arc de Triomphe came three weeks after the Prix Vermeille. Three Troikas *won Europe's richest race by three* lengths from Le Marmot with the English champion, Troy, a length away third.

Tthe veteran *Francois Mathet* took second place in the traners' list. Hhis horses, mainly the Aga Khan's, won 115 races and over £900,000. Behind Mathet came Jack *Cunnington Junior* who sent out 75 winners for over 860,000. Cunnington is not as well known in England as some other French trainers. He is a shy man who is inclined to shun publicity. Nevertheless, Cunnington commands a great deal of respect at Chantilly and his handling of Irish River has been brilliant. *Irish River* was a superb racehorse with a slightly nervous character.

Philippe Raquet, who will be 27 on December 9, has taken the jockey's championship for the second time in three years, with 116 winners. Paquet has amassed nearly £1.5m *for his patrons in* France. He has been *first* jockey to Boutin for over 10 years having joined the stable dirtctly from a labour exchange in 1966.

The Boutin-Paquet relationship is based on mutual respect. Although they broke all records this year, 1980 promises to be even better. To win the English Derby is the ambition of both men and, if Nureyev passes his 2,00 Guineas test, he will probably carry the colours of Stavros Niarchos at Epsom.

Their finest hour: Christiane Head leads in Three Troikas after her victory in the Arc de Triomphe.

With just over 100 winners, Yves Saint-Martin was second but last year's champion, Alfred Gilbert, has had a lean season with around 65 winners. He has better news for next year when he will carry the first colours of Mahmoud Fustok. Henri Samani was first jockey for the stable this season and has rarely put a foot wrong.

Finally, I note the produce of Lyphard have won over £800,000 in prize money this season. Second in this list is Riverman (waiting to be exported to the United States) followed by Amarko (dead), Hard to Beat (Japan), Caro (US) and Sir Gaylord.

odstock sales

wiss Maid back in ring ıd fetches 290,000 gns

lichael Phillips
g Correspondent

1978 Champion Stakes r, Swiss Maid, went through *le ring at Newmarket* yester-or the third time in her life. irst occasion was three years when her trainer, Paul vay, snapped her up for 6,000 is when she was a yearling. e months ago Kelleway again the last nod when he bought ıck into the stable for 325,000 is.

: night, however, he and his partners let her go for 0 guineas to a bid from the *ational Bloodstock agent*, el Motion. Motion refused close the name of her new but he did say later that lent had no interest in also ; the nomination to Lyphard, was on offer along with Maid, as he could have as nominations to that horse wanted.

that seemed to point to John s being Swiss Maid's new , but that is pure guesswork. rd stands on Mr Gaines's n Kentucky.

ier in the day, the second of Tattersall's December got off to an unusually brisk *Normally Monday is com-*vely quiet, but this time the lot through the ring fetched guineas; the sixth 136,000 s and the 10th lot to be sold 0 guineas.

last was not only the highest of the *morning* session but record for a brood mare *t public auction in England.* bject of all the interest was Girl, a superbly bred mare Derby winner, Sir Ivor, out Oaks winner, Valoris, who ı foal to the Eclipse Stakes ıssex Stakes winner, Artains. by direction of the executors late Sir Charles Clore, Val's *was bought by an Irish* :, Ted Curtin, whose name een linked with the Texan ıgnate, Nelson Bunker Hunt, in the past.

this occasion Mr Curtin was *acting on behalf of a different* American breeder, Franklin Groves, who owns the North Ridge Farm near Lexington, Kentucky. Mr Groves already owns a number of choicely bred mares, notably Queen Sucree, the dam of the Kentucky Derby winner Cannonade, and Exceller's dam, Too Bald. *Val's Girl is a nice addition.*

Captain Tim Rogers, the owner of the famous Airlie Stud in Ireland, was under-bidder for Val's Girl. In one respect that was not surprising because Artaius, the horse she was in foal to, stands on one of Captain Rogers's studs and his first foals have been selling *like hot cakes this autumn.*

As always at this auction the British Bloodstock Agency was in the thick of the fray. It was on behalf of the shipping tycoon, Stavros Niarchos, that their representative, Sir Philip Payne-Galwey, spent 136,000 guineas buying Fascinating Trick.

This beautifully bred American mare had passed through the same *ring* 12 months earlier in foal to African Sky. On that occasion she made 74,000 guineas. That she nearly doubled her price yesterday can surely be attributed to the fact that she was in foal to Mill Reef whose nominations change hands *for as much as £40,000* on the open market.

Mr Niarchos has just completed the purchase of Haras Fresnay-le-Buffard, a stud in Normandy which was formerly owned by Marcel Boussac. It has been empty for nearly two years but 20 mares have already been installed *there for its new owner and they* will be joined by Fascinating Trick.

Earlier in the day the BBA paid 136,000 guineas for Regal Twin, a seven-year-old mare in foal to Grundy. On this occasion it was heartening to hear that she will stay in this country and that they were acting on *behalf of a British* breeder, John van Geest, whose colours were carried prominently a few years ago by Mandrake Major. Mr van Geest owns the Wearsley Park stud.

Racing

Fences prove no obstacle to Bryan Boru

David Gandolfo had two wins, with his three declared runners at Folkestone yesterday. Bird Stream, cast in her box, could not run, *but the other two, Bryan Boru* and Low Lindeth won, partnered by Paul Barton.

The jumping display from the four runners in the Rye Handicap Chase was sketchy. Bryan Boru, the odds-on favourite, seems incapable of a clear round and ploughed right through the second last. But he is big and strong, has only ever fallen once, and never faltered, coming home five lengths ahead of 33 to 1 outsider landing party.

Bryan Boru, who has won eight races over fences worth nearly £10,000, put Gandolfo on the 13 mark, but it was only for an hour thanks to low Lindeth's crisp turn of finishing speed in the Mereworth Novices' Handicap Chase. The luckless Southern Mobile, in *the front rank virtually all the* way, led over the last where Low Lindeth was a bit green, but Barton pulled him together again and his burst on the short run-in was decisive.

Andy Turnell had the punters hopping in both divisions of the Penshurst Novices' hurdle. In the *first he partnered the 50 to 1* Tweel and went close to beating the odds-on Distillery, but in the second he partnered odds-on Rook Wood, only to finish second again.

Toby Bulgin, 19-year-old whose only previous winning ride was on Distillery at Newbury, appeared to *give his mount plenty to do*, settling him in sixth place and not getting much of a run until levelled out in the short straight. Disillery then made up ground quickly to get on terms at the last, which he hit, and in the end only caugh Tweel on the nod.

Hexham abandoned: Mr C. D. *Patterson, the clerk of the course* at Hexham, said yesterday: "The stewards inspected the course and because of heavy overnight rain decided that racing would not be possible today".

Even Melody will set tempo once the score is known

By Michael Seely

Two years ago Neville Crump sent Even Melody down to Cheltenham to capture the Massey-*Ferguson Gold Cup. Next Satur-*day the Yorkshire trainer's 1976 Mackeson Gold Cup winner, Cancello, is doing duty for Middleham in this important race. This afternoon Even Melody travels north to Wetherby, where he has only two opponents to beat in the Rufforth Handicap Steeplechase.

Even Melody has a fine turn of foot which he showed this season when winning a two-mile handicap at Cheltenham in October. Last *month the 10-year-old made a re-*turn visit to the same track for the Mackeson. At the top of the hill nothing seemed to be going better than Simon Lycett-Green's gelding, but his chance was slipping fast when a blunder at the second-last fence finally put paid to him. Even Melody eventually *finished sixth to Man Alive.*

"Colin Hawkins came back and told me that the ground was too slippery", says Crump. "But I honestly don't believe that that was the cause of his defeat." Probably the truth of the matter is that Even Melody has too formidable a task at the weights.

Harvest Day, one of Even Melody's rivals today, was also strongly fancied to win the Mackeson, but was at the rear of the field when he fell at the eighth fence. Since then Harvest Day has disappointed again when finishing a well-beaten fourth to Border Brig at Newcastle.

Skyrne, the only other runner, has been performing with clasistency this season. Since beating Royal Roseberry by two lengths on this track, the nine-year-old has also run well behind Rathgorman at Windsor at Siberian Sun at Newbury.

Crump thinks that the chief *danger to Even Melody may lie* in the way in which the race is run. "My fellow hates to see daylight too soon. And it's not easy to cover an animal up in a three-horse race." However, if all goes well, Even Melody should make short work of this opposition.

Perhaps the best value of the day should be Strawhill, who runs in the first division of the Leeds Novices Hurdle. After winning by eight lengths at Hexham in October, Strawhill turned in a *magnificent performance* on the same track the following month. Trying to give the year-older Privy Consort 11 lb, the four-year-old failed by only a neck with the third horse, Gleaming, five lengths away. Show Rose and Chennel Lane have chances at the weights, but Strawhill should *prevail.*

Strawhill's trainer, Jumbo Wilkinson, could well complete a double with Kelso Chant in the *Vaux Breweries Novices' steeple*chase. Sugarally won a modest event by seven lengths at Ayr last week, but the opposition were not of much account, and Kelso Chant has run well against better-class rivals. In the second division of the Novices Hurdle I am going for Schumann. Peter Easterby's four-*year-old was thought capable of* better things when trained on the flat by Bruce Hobbs. Schumann may therefore outclass his more experienced rivals.

In the Harrogate Opportunity Handicap it might be best to overlook Castle Arch's recent lapse when only third to Selby at Haydock Park *earlier in the week.* Maurice Camacho's seven-year-old made several jumping errors that afternoon, and it may pay to go by Castle Arch's 15-length victory at Wetherby last March. Jester's Night, who was third to Foreign Legion at Wolverhampton, should be his principal rival.

At Newton Abbot I like the chance of Gay Park in the Land's End Handicap Steeplechase. The comfortable winner of a novices' *steeplechase at Taunton*, the six-year-old's penalty may not prevent him from beating Jimmy Miff and Double Negative. Another sound wager here could be Aukland Jack.

etherby programme

SHEFFIELD HURDLE (Selling handicap: £548: 2m)

0000-3	Dutch Martyr, W. Wharton, 6-11-13	J. J. O'Neill
	Ragusa Bay, D. McCain, 6-11-11	R. Lamb
0	Pinewood Grange, T. Kersey, 6-11-9	G. Kersey 4
f21034	Jean Marjorie (D), D. Yeoman, 4-11-6	A. Brown
0-0040	Dean's Guy, T. Taylor, 5-11-6	N. Walker 7
	Kounny Pul, E. Carter, 5-11-5	M. Lowry
003-00	Powers of Darkness, D. Yeoman, 5-11-4	R. Barry
0400-0	Jimbo Limbo, J. Norton, 4-11-0	G. Graham
442203	Hit The Deck, W. Wright, 4-10-12	T. Carmody
2-20490	Warmspuns Joy, J. Parkes, 5-10-9	A. Harrison 4
00300-p	Underbarrow Rose, D. Chapman, 4-10-8	M. Barnes
0b-0p0p	Double Secret, D. Chapman, 5-10-8	J. Armstrong 4

Hit The Deck, 11-4 Jean Marjorie, 9-2 Dutch Martyr, 6-1 Pinewood e, 9-1 Warmspuns Joy, 12-1 others.

UFFORTH CHASE (Handicap: £1,137: 2m 50yd)

24-2130	Even Melody (CD), N. Crump, 10-12-0	C. Hawkins
131114	Harvest Day, R. Whitaker, 8-11-12	J. J. O'Neill
2-04143	Skryne (CD), P. Bailey, 9-11-12	B. R. Davies

Even Melody, 7-4 Skryne, 9-4 Harvest Day.

VAUX CHASE (Novices: £909: 3m 100yd)

ffff	Master Milan, W. A. Stephenson, 7-11-8	Mr T. G. Dun
0231	Sugarally, U. Fairbairn, 6-11-5	D. Goulding
b1303p	Barton Cross, A. Watson, 8-11-0	P. A. Charlton
4000-bb	Bright Boo, N. Crump, 6-11-0	C. Hawkins
0-03412	Kelso Chant, B. Wilkinson, 7-11-0	T. Carmody
03042p	Kildale, T. Watson, 6-11-0	Mr F. Watson 4
420-200	Queens Melody, Miss S. Hall, 9-11-0	D. Wilkinson 7
40-460p	Ragdale, N. Crump, 6-11-0	D. Atkins
0-01004	Southern Favour, W. A. Stephenson, 8-11-0	R. Lamb
p100-0f	Super Car, A. Watson, 6-11-0	G. Graham
0403p-4	Watergate Bay, S. Holland, 7-11-0	S. Holland

Kelso Chant, 5-2 Sugarally, 3-1 Southern Favour, 8-1 Barton Cross, 12-1 -e, Queens Melody, 14-1 others.

LEEDS HURDLE (Div I: Novices: £702: 2m)

321	Chennel Lane, T. Barron, 5-11-7	N. Palmer 4
0-0010	Oxenham (CD), N. Crump, 4-11-3	Mr P. Craggs 4
13	Strawhill (D), B. Wilkinson, 4-11-3	D. Atkins
00-000	Bold Challange, W. A. Stephenson, 5-11-0	R. Lamb
00-440	Broken Country, M. W. Easterby, 5-11-0	C. Tinkler
	Child, M. H. Easterby, 5-11-0	J. J. O'Neill
0-	Fleurese, T. Brookshaw, 5-11-0	E. Brooke 7
	Jameson, W. Wharton, 5-11-0	—
0002-0	Misty Bay, Mrs S. Lamyman, 5-11-0	J. L. Goulding 7
0	Russell Lum, D. McCain, 5-11-0	—
	Seamark, A. Goodwill, 5-11-0	—
00	Space Bridge, Miss S. Harris, 5-11-0	Mr J. Sharp 4
p-p	Avendual, A. Watson, 4-10-10	G. Graham
	Be Free, M. Mamacho, 4-10-10	Mr D. Oldham 4
00	Biv, Miss A. H. Wood, 4-10-10	—
f0	Garden Virginian, J. Mulhall, 4-10-10	—
00-00	Gunness Grove, J. Blundell, 4-10-10	A. Brown
0	Irish Gantlet, E. Carter, 4-10-10	M. Lowry
0000	Kikori, R. Bethell, 4-10-10	G. Holmes
00304	Lobela, S. Wainwright, 4-10-10	P. A. Charlton
p	Lockeridge, M. H. Easterby, 4-10-10	Mr T. Easterby 4
00-400	Mosh Merchant, D. Plant, 4-10-10	S. J. O'Neill 4
403340	Nabal, Denys Smith, 4-10-10	C. Grant 4
432	Show Rose, N. Crump, 4-10-10	C. Hawkins
0	Silver Bay, D. Weeden, 4-10-10	S. Smith-Eccles

Show Rose, 100-30 Strawhill, 7-2 Chennel Lane, 6-1 Jameson, 8-1 am, 10-1 Lobela, 16-1 others.

HARROGATE CHASE (Handicap: £1,169: 2½m 100yd)

0-23213	Castle Arch (CD), M. Camacho, 7-11-10	T. V. O'Connell
p4431-3	Jesters Night, R. E. Peacock, 6-11-6	C. Grant
0-30	Gay Kempley, H. E. Peacock, 12-11-6	R. Earnshaw
22-p3pf	Impus, R. Robinson, 6-11-4	J. Isherwood
f	Swanky Guide, E. Caine, 11-10-4	P. Maddison

Castle Arch, 9-4 Jesters Night, 4-1 Gay Kempley, 10-1 Impus, 14-1 Swanky

LEEDS HURDLE (Div II: Novices: £687: 2m)

		A. Dickman
000-000	Minny Mouse, P. Courage, 5-11-0	—
2p-	More Music, W. Wharton, 5-11-0	D. Fisher 7
0p00-0	Saratoga Sprite, A. Fisher, 5-11-0	P. Thompson 4
0	The Sergeant, E. Carr, 7-11-0	M. Lowry
3-40	Woodlands, E. Carter, 5-11-0	R. Lamb
4	Atlantic Venture, W. A. Stephenson, 4-10-10	J. Mooney 4
00000	Checkling Lad, H. Fehning, 4-10-10	C. Fairhurst
0	Commander Bond, T. Fairhurst, 4-10-10	S. Smith-Eccles
a00-	Hedingham Boy, A. Goodwill, 4-10-10	R. Collins
	I Surrender, W. A. Stephenson, 4-10-10	D. Goulding
0	Jesting Spirit, G. Fairbairn, 4-10-10	A. Brown
0	Kudos, J. Blundell, 4-10-10	—
	Kumbi, D. McCain, 4-10-10	D. Oldham 4
3	Last Issue, M. Camacho, 4-10-10	J. J. O'Neill
	Schumann, M. H. Easterby, 4-10-10	C. Hawkins
0403	Star of Tycoon, N. Crump, 4-10-10	D. Atkins
020	Willie Wisp, B. Wilkinson, 4-10-10	

Schumann, 7-2 Commander Bond, 5-1 Last Issue, 8-1 Star of Tycoon, de Venture, 10-1 More Music, 12-1 Hedingham Boy, 14-1 Woodlands, 20-1 s.

etherby selections

Michael Seely
) Jean Marjorie. 1.0 Even Melody. 1.30 Kelso Chant. 2.0 STRAW-- is specially recommended. 2.30 Castle Arch. 3.0 Schumann.

Folkestone results

12.45 (12.51) PENHURST HURDLE (Div I: 3-y-o novices: £572: 2m)

Distillery, b g Jimmy Reppin—Abstract (Mrs M. Latham), 10-10 T. Bulgain (4-5 fav) 1
Tweel .... A. Turnell (50-1) 2
New Top .... R. Rowell (9-2) 3

ALSO RAN: 4-1 Van Haden 4th), 12-1 Sanskruk (f), 20-1 The Snoorstan, 50-1 Radmorcliffe, Double Stretch (pl), Boodle's, Monday Night, Satchmo, Toilers Rose, 12 ran.

TOTE: Win 17p, places 14p, 40p, 14p. Dual F: £4.97. CSF: £4.07. J. Old at Salisbury. Shorthead, 8l.

1.15 (1.17) OTTERDEN OPPORTUNITY HURDLE (selling handicap: £478: 2½m)

Fair Streak gr g probably by Blue Streak–Fair Lady (Mrs E. Rhind-Tutt) 8-10-6 .. S. Johns (6-4 fav) 1
Sandwich Bay .. R. Berry (11-2) 2
Ballysilly ...... N. Hisken (4-1) 3

ALSO RAN: 2-1 David's Comet (f), 33-1 Wondayle, 5 ran.

TOTE: Win 20p, CSF 90p. W. Wildman at Larkhill, 10l, 6 ad.

1.45 (1.46) RYE HANDICAP CHASE (handicap: £1,536: 3m 2f)

Bryan Boru ch g Armagnac–Pattara (C. Michell) 8-11-8 hl P. Barton (4-5 on fav) 1
Landing Party Mrs N. Ledger (33-1) 2
Mounthooly .... A. Coogan (10-1) 3

ALSO RAN: 6-4 Mr Batnac, 4 ran.

TOTE: Win 20p Dual F: 73p. CSF: £2.71. D. Gandolfo at Wantage, 5l 4l.

2.45 (2.48) MEREWORTH CHASE (noves: handicap: £888: 2m)

Low Lindeth br g R. ght Boy–Miss Scribbler (G. Thorp) 5-11-2 P. Barton (7-2) 1
Southern Mobile R. Rowe (7-4 fav) 2
Tom Sawer .... C. Kinane (4-1) 3

ALSO RAN: 13-2 Cargolux, 8—1 Orange Tag (4th), 16-1 Vaunted, 20-1 Daevntry, Just Like That, 33-1 Johnny Tarquin, Atluna, 10 ran.

TOTE: Win 56p, places 18p, 10p, 16p Dual F: £1.06. CSF: £1.03. D. Gandolfo at Wantage, ¾l, ¾l.

2.15 (2.19) SISSINGHURST HURDLE (amateur handicap £1,261, 3m 2f)

Double Mirage ch g Our Mirage–Marilyn's Mirage (C. Wood) 4-10-11 Mrs. D. Williams (6-1) 1
White Heron Mrs. D. Grissell (10-1) 2
Knocknagin Mr. A. J. Wilson (evens fav) 3

ALSO RAN: 7-2 Prince's Risk (f), 8-1 Master Rhol, 14-1 Jave River, 33-1 Mick The Miller, Olugo Gold, Keno Hill, 9 ran.

TOTE: Win 53p, places 34p, 10p, 11p. Dual F: £1.53. CSF: £6.46. W. Charles at Warwick, 3l, 10l.

3.15 (3.18) PENHURST HURDLE (Div 2: 3-y-o novices: £594, 2m)

Brighton Marina b g Majority Blue–Storm Lass (J. Bath) 10-10 R. Rowell (6-1) 1
Rook Wood A. Turnell (8-13 on fav) 2
Wootton ...... J. Kear (20-1) 3

ALSO RAN: 6-1 Bombadini (4th), 20-1 Bell Hop, Bison, Bumper (p), 25-1 Friendship Bay, 50-1 Allied Sofonite, Flying Lyndsay, Home Grown, Maypole, Second Rise, Supremacy, Tarsa, Vale of Tears, 17 ran.

TOTE: Win, £1.03, places 20p, 12p, 64p. Dual F: 23p. CSF 89p. Miss A. Sinclair at Lewes. 2l, 4l.

TOTE DOUBLE: Bryan Boru, Low Lindeth. £7.50. TOTE TREBLE: Fair Streak, Double Mirage, Brighton Marina. £98.70. JACKPOT: £4,12[illegible].65. PLACE POT: £3.25.

STATE OF GOING (official): Wetherby—Good. Newton Abbot—Good to soft. Tomorrow. Ayr: Soft. Fontwell Park: Good to soft.

OFFICIAL SCRATCHINGS: All engagements (dead): Marine Rose, Timber Treasury, Negari, Charlie Battle and Veiled.

Newton Abbot

12.45 ST JUST HURDLE (Div I: 3-y-o novices: £683: 2m 150yd)

7	4	British Crown, D. Elsworth, 11-0	R. Linley
8	3	Carronade, L. Kennard, 11-0	P. Haynes
10		Charig's Company, C. Hill, 11-0	M. Ayliffe 7
11	0	Chariot, D. Barons, 11-0	G. Thorner
12	00	Charlie Flower, K. C-Brown, 11-0	J. Suthern
14	p040	Flandean, F. Gorman, 11-0	T. Hallett 4
15	00	Lyric Girl, F. Bowles, 11-0	M. Williams
17		Manrico, M. Pipe, 11-0	R. Millman 7
19	32	Mr Juicy, J. Vaughan, 11-0	J. Williams
20	d02	Mr Peapock, T. Hallett, 11-0	Mr B. Wright 7
23		Pedibus, D. Barons, 11-0	P. Leach
24	0	Persian Risk, Mrs M. Babbage, 11-0	Mr N. Babbage 7
25	0	Pomme-d'Afrique, R. Keenor, 11-0	J. Pearce
26		Son of Dee, C. Hill, 11-0	G. McCourt
27		Swaynes Folly, J. Duffy, 11-0	G. Brown
29	030	Wells O'Woarie, D. Gillard, 11-0	P. Leande 4

7-4 Carronade, 5-2 British Crown, 4-1 Mr Juicy, 7-1 Mr Peapock, 9-1 Chariot, 12-1 Pedibus, 16-1 others.

1.15 HELSTON HURDLE (Handicap: £1,138: 2m 150yd)

1	10-11	Mister Bosun, J. Thorne, 6-12-0	R. Hoare
2	00-0003	Princeley Mark, D. Barons, 7-11-10	P. Leach
3	1f1	Polly Toodle, E. Swaffield, 7-11-9	Mr P. Swaffield 7
4	10-03	Wareath, F. Rimell, 4-11-6	T. Heath 7
5	2143-44	Hi Mary, R. Peacock, 6-11-5	P. Richards
6	40-	Top Tune, J. Gibbons, 7-11-2	S. May
7	0000-04	Strathclyde, L. Kennard, 5-11-1	M. Williams
9	003102-	Prince of Bermuda, R. Turnell, 4-10-13	A. Holder 7
10	022-400	Charlies Fox, (CD), Miss S. Morris, 6-10-11	J. Butchard
11	000	Tin Mine, D. Barons, 5-10-10	M. Barrett 7
12	0214-0	Baby's Court, J. Thorne, 4-10-8	Miss J. Thorne 7
13	01340-3	No Pardon, A. Hobbs, 5-10-8	P. Hobbs
15	000100-	Silly One (CD), B. Scriven, 7-10-5	Mr R. Treloggan 7
18	400-p00	Stalbridge Belle, (CD), A. Stoddart, 6-10-0	Miss L. Vincent 4
19	0-f	King Acre II, Mrs E. Kennard, 7-10-0	D. Gardiner 7
20	00	Le Toquille, M. Denning, 5-10-0	G. Gray 7
23	00p0p0	Penny Blue, W. G. Turner, 4-10-0	Miss P. Fisher 7

3-1 Wareath, 7-2 Princely Mark, 4-1 Polly Toodle, 11-2 Mister Bosun, 8-1 No Pardon, Strathclyde, 12-1 Hi Mary, 16-1 others.

1.45 PATTERN CHASE (£4,181: 2m 5f)

3	1412-01	Aukland Jack, R. Armytage, 8-11-4	H. Davies
4	3121	Royal Charley, D. Kent, 8-11-4	P. Haynes
5	333p0-3	China Cottage, P. Bailey, 8-11-0	L. Griffiths
6	00004-3	Haytor Mist, C. Bewicke, 8-11-0	J. King
8	12pf0-0	Longacre, D. Gandolfo, 8-11-0	P. Barton
9	0020-fp	Meads Manor, Mrs E. Kennard, 10-11-0	D. Gardiner
10	0130-42	Milan Major, M. Oliver, 7-11-0	P. Hobbs
11	1-f2210	Patzrustler, J. Thorne, 6-11-0	R. Hoare
12	04	Prince Eleigh, Miss S. Morris, 10-11-0	R. R. Evans
13	00-0302	Rib Law, J. S. Wright, 5-11-0	P. Scudamore
15	2-0	Sunday Evening, K. Bishop, 8-11-0	Mr K. Bishop
16	040p-02	Tango Slave, M. Stephens, 8-11-0	Mr T. Thomson-Jones
17	0-00110	Timber Queen, Mrs E. Kennard, 6-11-0	—
19	f0-u3f4	Zarzaigue, F. Rimell, 6-11-0	T. Heath

2-1 Royal Charley, 11-4 Aukland Jack, 100-30 Rib Law, 6-1 Milan Major, 8-1 China Cottage, 12-1 Haytor Mist, 16-1 others.

2.15 MOUSEHOLE HURDLE (Selling handicap: £521: 2m 150yd)

4	0-pf031	Inca Prince, B. Forsey, 6-11-9	R. Millman 7
5	0-0p0	Bert's Courage, J. Cann, 5-11-4	S. G. Knight 4
6	424100	Loudly, H. Harper, 6-11-0	Mr R. Harper 7
7	0-00000	Tudor Twynkell, N. Ayliffe, 5-10-12	M. Ayliffe 7
9	000-0	Fishleigh Gamble, C. Hill, 4-10-11	G. McCourt
10	4234-h1	Sue Lark, R. Keenor, 4-10-10	C. Gray 7
11	30-000	My Anastasia, J. Perrott, 4-10-8	R. R. Evans
13	00-33	Tabaqui, C. Yardley, 5-10-4	P. Carvill 7
14	f33022	Forgetaboutim, D. Barons, 4-10-4	M. Barrett 7

7-4 Sue Lark, 5-2 Inca Prince, 3-1 Forgetaboutim, 7-1 Tabaqui, 10-1 Loudly, 16-1 others.

2.45 LAND'S END CHASE (Handicap: £1,346: 3½m 100yd)

1	110-324	Double Negative, F. Rimell, 9-12-0	Mr E. Woods 4
2	032310	Jimmy Miff (C-D), I. Wardle, 7-11-4	J. Butchard
3	010003-	Samuel Pepys, J. Old, 8-11-0	C. Candy
4	20-b231	Gay Park, A. Hobbs, 6-11-0	P. Hobbs
6	300-020	Orient Dancer (C), J. S. Wright, 8-10-0	P. Scudamore 4
7	p	Barrow Chief (C-D), O. O'Neill, 10-10-0	J. Suthern

6-4 Double Negative, 5-2 Jimmy Miff, 7-2 Gay Park, 8-1 Samuel Pepys, 12-1 Orient Dancer, 20-1 Barrow Chief.

3.15 ST JUST HURDLE (Div II: 3-y-o novices: £669: 2m 150yd)

2	0004	Berulla, D. Gandolfo, 11-0	M. Richards 7
3	0	Chestnut Lodge, M. McCourt, 11-0	G. McCourt
6		French Charisma, Mrs J. Pitman, 11-0	—
7		Gold Amber, Mrs L. Harden, 11-0	Mr R. Treloggan 7
8	0	Hole Stone, D. Elsworth, 11-0	R. Linley
9	3	Kilve, J. Thorne, 11-0	R. Hoare
11	230	Misty Fanian, M. Pipe, 11-0	R. Millman 7
14		Prominetto, M. Oliver, 11-0	P. Hobbs
15	34p0	Ramona's Son, D. Gillard, 11-0	P. Leando 4
16	u	Realine, B. Palling, 11-0	C. Candy
17		Roman Victory, D. Barons, 11-0	P. Leach
18	03	Sash of Gold, I. Wardle, 11-0	M. Williams
21		Seekes Valley, S. Kernick, 11-0	N. Kernick
22	3	Spithead Review, R. Bailey, 11-0	A. Webber
24		Victor Valley, C. Hill, 11-0	M. Ayliffe 7
25		Westward Lady, P. Ferrari, 11-0	—

9-4 Kilve, 7-1 Spithead Review, 7-2 Sash of Gold, 6-1 Misty Fanian, 8-1 Berulla, 12-1 Roman Victory, 16-1 others.
*Doubtful runner.

Newton Abbot selections

By Michael Seely
12.45 British Crown. 1.15 Stalbridge Belle. 1.45 AUCKLAND JACK is specially recommended. 2.15 Forgetaboutim. 2.45 Gay Park. 3.15 Kilve.

£1,000 Premium Bond prizewinners

The £1,000 prizewinners in the November Premium Bond draw are:

Cleveland, Cumbria, Durham, Northumberland, Tyne and Weir

[illegible]

Cheshire

[illegible]

Isle of Man, Lancashire and Merseyside

[illegible]

North Humberside, Yorkshire North, South and West

[illegible]

Humberside, Leicestershire, Lincolnshire, Nottinghamshire

[illegible]

Derbyshire, Staffordshire

[illegible]

West Midlands, Warwickshire

[illegible]

Herefordshire, Salop, Worcestershire

[illegible]

Bedfordshire, Cambridgeshire

[illegible]

Berkshire, Buckinghamshire, Oxfordshire

[illegible]

Hertfordshire

[illegible]

Norfolk, Suffolk

[illegible]

Essex

[illegible]

Sussex (East and West)

[illegible]

Hampshire, Isle of Wight

[illegible]

Northamptonshire

[illegible]

Surrey

[illegible]

Channel Isles, Cornwall, Devon

[illegible]

Ulster

[illegible]

Kent

[illegible]

Scotland

[illegible]

Wales

[illegible]

Greater London

[illegible]

Avon, Dorset, Gloucestershire, Somerset, Wiltshire

[illegible]

Church news

Appointments

The Rev G. I. Arnold, Vicar of St James, Croydon, diocese of Canterbury, to be priest-in-charge of Dullingham and Stetchworth, diocese of Ely.

The Rev E. J. Brack, curate of St *Michael, Wood Green, diocese of* London, to be Vicar of St Philip and St James, Whitton, same diocese.

The Rev E. J. Brecknell, Rector of Rumboldswyke, diocese of Chichester, to be also priest-in-charge of Portfield, same diocese.

The Rev J. M. M. Dalby, secretary of the committee for Theological Education and selection secretary for the Advisory Council for the Church's Ministry, to be Vicar of St Mark's, Worsley, diocese of Manchester.

The *Rev D. W. B. McCulloch*, Chaplain with the Teesside Industrial Mission, to be Vicar of Leake with Over and Nether Silton and Kepwick, and curate in charge of Cowesby, diocese of York.

The Rev W. M. Jacob, vice-principal of Salisbury and Wells Theological College, to be selection secretary on the staff of the Advisory Council for the Church's Ministry.

The Rev A. J. G. Murray-Leslie, team vicar of Waterthorpe, diocese of *Sheffield, to be priest-in-charge of Edale* and Warden of Champion House Youth Centre, diocese of Derby.

The Rev D. Masson, curate of Gainsborough, diocese of Lincoln, *priest-in-charge* of Thurlby, Bourne, same diocese.

The Rev R. W. Oswald, Vicar of Castle Hedingham, diocese of Chelmsford, priest-in-charge of Pentlow, same diocese.

*The Rev D. Painter, domestic chap*lain to the Archbishop of Canterbury, to be Vicar of Holy Trinity, Roehampton, diocese of Southwark.

The Rev D. A. Willoughby, Vicar of Marown and stewardship director for the diocese of Sodor and Man, to be Vicar of St George with All Saints', Douglas, and rural dean of Douglas, diocese of Sodor and Man.

The Rev A. H. Wyman, Vicar of Saint Peter, Harrow, diocese of London, to be Rector of Belton with Osgathorpe, diocese of Leicester.

The Rev J. Wynburne, Curate, St Martin's, Dorking, diocese of Guildford, to be Vicar of Send, same diocese.

Diocese of Durham

The Rev A. M. Bartlett, curate of St Mary's, Heworth, Gateshead, to be Vicar of All Saints, Cleadon, Sunderland.

The Rev F. J. Harris, curate of St *Aidan's, Hartlepool, to be Vicar of the* UB of Trimdon Grange and Trimdon Station.

The Rev T. W. Thubron, Vicar of St Peter's, Bishopwearmouth, Bangladesh, to be Vicar of All Saints', Wheatley Hill.

Diocese of Norwich

The Rev H. H. L. Brierly, Rector in the Wreningham group of parishes, to be additionally priest-in-charge of Hapton.

The Rev M. Fitzgerald, priest-in-charge of Tasburgh, Tharston and Forncett St Mary's with St Peter's, to be additionally priest in charge of Flordon.

The Rev J. Haley, Vicar of St Edmunds, Hunstanton, to be additionally priest in charge of Ringstead.

The Rev J. H. Lister, team vicar in the Sheffield Manor Team Ministry, diocese of Sheffield, to be Rector of *Winfarthing with Shelfanger*, and priest in charge of Gissing, Burston and Tivetshall.

The Rev A. D. McGregor, Warden of St Michael's Community Centre, Bow Cross, diocese of Southwark, to be Vicar of St Francis, Heartsease, Norwich.

The Rev D. A. Welbourn, Sunderland churches industrial chaplain, diocese of Durham, to be industrial missioner in the diocese and licensed for pastoral purposes to the parish of Sprowston.

Marcel Berlins and Richard Allen on the difficulties of London's casino operators

Why high-rollers are switching their bets

It has been a terrible year for casinos, Ladbrokes have now been confirmed on appeal as not being "fit and proper persons" to run their London casinos, and have lost their licences.

The four luxury London casinos belonging to the Coral group were raided, and as a result Mr Bernard Coral, who *last week resigned as the head* of its casino division, faces charges of conspiracy to pervert justice and other conspiracies linked to gaming, and other Coral employees have been charged with various offences. Although those two groups have been the most direct sufferers, the ramifications *have sent a chill of fear* throughout an already apprehensive casino world.

Many of the difficulties faced by the London casinos stem from their reliance on wealthy foreign customers (the *provincial* casinos, although more numerous, contribute little to profits). Ladbrokes, for instance, revealed that in less than nine months this year £45m in foreign currency was exchanged for chips, which led *Ladbroke's chairman,* Mr Cyril Stein, to quip that he would be applying for a Queen's Award for Industry.

That sum, of course, does not include the money gambled by foreigners in sterling. *But this dependence on foreign* gamblers is now under threat, for a variety of reasons, and the high-rollers are starting to go elsewhere.

The relative strength of the pound, and higher prices, have made London a less attractive proposition for visitors, some of whom could have been expected to leave some of their money *behind* on the gaming tables, as well as for specialist gamblers.

Moreover, a significant proportion—perhaps a quarter or more—of the casino's best customers were Iranian. Their custom *has already declined,* and there is bound to be a continuing falling off of their contribution to London's gaming turnover

A further ground for pessimism comes from the Ladbroke case *itself.* The courts have been told of numerous contraventions of the Gaming Act (many of them uncovered by *Private Eye*): registration numbers of cars parked outside *rival casinos noted and* their owners traced through a police computer; commissions paid to those who introduced customers, based on the amount of their losses; lavish gifts and dinners to lure *prospective clients;* and *breaches* of the law requiring 48 hours between applying for membership and being allowed to gamble at a club.

> It is clear that the Gaming Board and the police intend to enforce the gambling rules strictly

Table-talk: Gaming Board inspectors training in London

It is clear that the Gaming Board and the police intend to *enforce the rules strictly* in future, which is hardly likely to appeal to a rich gambler who finds himself refused entry to a casino in which he wishes to spend his money.

More subtly, the very fact *that two of the leading casino* groups have the whiff of corruption or illegality about them—even if unjustified—is unsettling to some big-rollers who had up to now taken comfort from the probity that *surrounded the arrangements for* their personal safety and privacy.

Still looming in the background is the recommendation of the Royal Commission on Gambling last year that casinos *should* impose a betting duty of 7½ per cent whenever money is exchanged for chips—the drop—(The total drop in English casinos has been estimated at nearly £1,000m). This tax on the gambler, if brought into force, would certainly drive some big customers out of English casinos.

It seems, therefore, that the great casino boom of the 1970s is unlikely to continue, at least at the same pace, in the next decade. Ironically, in view of the Ladbroke case, it was the Government's decision in 1968 to get to grips with dubious operators, through the passing of the Gaming Act and founda*tion of the Gaming Board, that* set the scene for the frenetic activities of the seventies. It resulted in London having more active casinos (a top of 24, down to 22 before the Ladbroke case) than any town or *city in the world except Las* Vegas.

By drastically cutting back the number of licences available and introducing stringent measures to ensure that clubs were run honestly, the Gaming *Board gave to those casinos* that passed the test a clean bill of health, which in turn ensured an excellent reputation among high-rollers throughout the world.

The real turning point, how*ever, came in 1975 as a result* of a combination of factors. By that time thousands of gambling-loving Arab princes and shaikhs and others made super-rich by the 1973 oil crisis were looking for relief from the humidity of the desert summers. At first, the Lebanon provided the perfect summer gambling retreat, but the eruption of civil war in 1975 forced them to seek new venues. With sterling *on its knees* and Britain providing an acceptable climate, London—the *only* major capital in the world to have casinos—was the ideal choice.

The effect of the arrival of the wealthy Arabs and Iran*ians on the London casino in*dustry was dramatic. The profits of Ladbrokes, the largest operator, have more than quadrupled since 1974, to £41m last year, with casino profits contributing about half that total; *and in the first nine months of* this year, casinos, bingo and lotteries brought in more than £20m, the group revealed when, as part of its effort to save its licences, it hived off its clubs to a separate company.

Corals have seen its profits increase five-fold over the past four years, largely on the back of profits from its London gaming tables.

Perhaps 85 per cent of profits *from all London casinos* has come from overseas sources, dominated by Middle-Eastern gamblers, but with some help, more recently, from Americans and Europeans keen to take advantage of the confidentiality and exclusivity offered by the Mayfair gaming houses.

The casino bubble has not yet burst, however, in spite of trepidation about the future, and even the unexpected Ladbroke and Coral traumas have not completely ruined City confidence in casinos. The fact is that the gaming industry has provided an astonishing return on capital employed—432 per *cent in 1976, according to the* Royal Commission on Gambling—*and even a substan*tial drop in that rate can still be extremely attractive.

The market did, however, react strongly. About £60m was *wiped off the value of Lad*brokes' shares, while Corals saw the value of their shares drop by nearly a half, to around £50m. Some stockbrokers are now saying that this was an over-reaction; but, *like international gamblers, in*stitutional investors (who, earlier this year, held as much as 30 per cent of Ladbrokes' shares) recoil at the faintest suspicion of anything shady, and the shares of both groups *are likely to remain depressed* for the time being.

Both groups, realizing that the casino profits phenomenon could not last for ever—though their fears were geared more to the Royal Commission's taxation suggestions—have adopted a policy of diversification. In its bid to turn casino cash flow into real assets Ladbrokes has *invested* heavily in hotels, property and the holiday business. How this policy has accelerated recently can be seen from the group's acquisitions this year alone.

Among purchases have been the prestige Westmoreland Hotel (£11m), Lasky's hi-fi chain (£3m) and a pub and restaurant chain (£1.3m); and the group has entered into a $40m property development deal in the United States.

The Coral group has followed a similar route, most sig*nificantly* through its £56m takeover of the Pontins holiday group earlier this year (a sum which is now more than the whole Coral group is worth on the stockmarket).

Assuming that Ladbrokes' interests in betting shops (they have 1,000), bingo and other entertainment activities would not be affected by what is happening on the casino front, they would still be reasonably sizeable even without their casino operations. The main impetus for growth and profitability, however, would have been removed at a stroke.

Whether or not the three Ladbrokes casinos refused their licence renewal will completely disappear, or whether other bidders could get the necessary permission to operate them, is not yet clear. Certainly there are possible purchasers in the background, including Mr 'Tiny' Rowlands, whose *Lonrho group has* apparently come close to a deal with Ladbrokes.

On the non-financial front, exciting times can be expected. Mr Cyril Stein, enraged that the Ladbrokes licence applications were being opposed by Playboy and by disparaging comments made by Playboy chief Mr Victor Lowndes, has promised that "the fur will fly".

There should be some bitter fighting when the renewal of other casino licences come up for consideration, especially that of the Victoria Sporting Club, which was snatched by Mr Lowndes in a dramatic last minute £6m cash bid, after they had seemed all set to go to another buyer.

Congress up for sale–but at a price

As an institution, Congress is held in low esteem by the American people. It is a common view that congressmen will always rank below used-car salesmen in the public's trust and affection.

True, a Louis Harris poll a few months ago showed an increase in confidence. But, even with this improvement, Congress still only achieved 18 per cent support and fell behind organized religion (20), the military (29) and television news (37).

Unusually, Congress scored higher than the White House, but, in this unhappy year for President Carter, so did every other institution *on the list* except organized labour.

This, however, is the attitude to Congress the institution. The American voter manages to combine this with a considerable tolerance, even a very high esteem, for *his* own representative, often regardless of party. (The cynical view of this is that "they are all crooks but this one is my crook".)

The general lack of enthusiasm is *partly just the general* lack of enthusiasm with which the people regard politicians as a breed. "Throw the rascals out" is a phrase never far from the lips of voters (nor from the minds of those in office).

Then there is the widely held view that Washington politicians do too little work for too much money. It is worrying for many voters—particularly, as now, in a time of high inflation—to see their representatives earning so much more than they do. Politicians getting that money, they think, easily lose touch with ordinary people.

A recent syndicated column by Jack Anderson scathingly attacked Washington's "economic elite".

Mr Anderson wrote: "Except when they're reined in by fear of the voters' wrath, our federal legislators go blithely along year after year, raising their own salaries, building new and ever more extravagant office buildings for themselves, adding to the treasure chest of perquisites they already enjoy, and dreaming up splendid new ways to increase their army of assistants".

It is the members of the House of Representatives who, in theory at least, are most reined in by fear of the voters' wrath. The 100 United States senators, two from each state, are elected for six-year terms and from state-wide constituencies.

In the House, however, the 435 representatives have to face the music every two years and until the day that they decide to opt out are, in effect, always running for re-election. Theirs is the function most closely resembling that of a British member of Parliament. Their constituencies (*districts*) are divided up within the states according to population and each contains about 500,000 people.

An MP might find it difficult to disagree with Mr Anderson. Compared with those of our legislators, the offices of United States representatives are opulent, their staffs enormous. The accommodation is, in fact, often quite cramped, but considering the size of *each* platoon in the army of assistants, that is hardly surprising.

Each representative may have up to 22 aides and is given each year by Congress (ie, by the taxpayers) some $300,000 for their salaries. His own salary is $60,000 a year and he gets some $70,000 to run his Washington office. Add to this various allowances for travel, postage and maintaining his district office or offices and Mr Anderson's figure—$500,000 for "salary and fringe benefits"—is not far out.

A Chicago journalist told me that the public is concerned because "it sees congressmen go in as people of average means and come out rich. Not because they have done anything crooked, but because it is a lucrative profession."

> 'The public is concerned because it sees congressmen go in as people of average means and come out rich'

Some, of course, are croc

When it comes to campa funds, some are in the pock of big business or the unic Many are subject to great p sure from lobbyists and growing number of special terest groups.

Miss Liz Ryan spe much of her time in Washi ton engaged in "public" bying on behalf of local ernments including the ci of New York and San Fr cisco. "*We should*", *she s* "limit the extent to wh Congress is up for sale. Li campaign funds and you l the influence of money. private lobbyists hand ou lot."

Understandably, the hon able members of the House somewhat defensive over th attitudes.

One of the most delic questions that any democr legislature can tackle is tha its own pay rises. But to wa the latest debate on this ject in the House of Repres atives, to see some of members' anguish as metaphorically looked their shoulders for the r tions of their constituents, like intruding on private gr Small wonder that Mr An son chose to rub their nose it.

All this, however, is ammunition that is fired at institution. The voter's exp ence of his own representa often leads him to a differ conclusion.

Unlike most British M representatives are loc often having been born or ing lived many years in t districts. This, combined the loose structure of American party system, g the voter *a much closer* ic tification with his own re sentative.

The very allowances, la staffs and offices that ca such general concern also congressmen a mighty wea *to wield on behalf of const* ents. As federal governm and its bureaucracy has gr year by year, the need of citizen for help to br through the jungle of red t has grown. The congressm *who ultimately controls bur* cracy's purse, is in a uni position to provide this h Most do it well.

Every week voters in t hundreds telephone and w to their representative seel aid *on specific problems.* case work, as it is called, increased enormously in past decade. It makes the gressman a combination ombudsman and knight err ready to charge into ba (with his ample retinue) behalf of his voters.

Such activity gives much favourable publicity marks him out as differ from and more caring than other 434 members—the " cals" that should be thr out.

All this gives great elect advantage to incumbents. gressional staff are forbid by law to campaign in t jobs, but in fact every const ent's problem *that is solve* a step on the road to re tion for their member. funds of lobbyists go o whelmingly to incumb rather than to challengers.

Representatives may be ning *for office* all the t but they get a good head s on the field.

(Friday in Foreign Report California congressman)

Ivan Barr

Bernard Levin

Portugal's gift to the defenders of freedom

Who could have foreseen the *transformation of Portugal, that* most improbably oblong nation, into the forum for one of the most interesting and significant political debates in the modern world?

Well, I could, for one. The overthrow by General Spinola's revolution of the Salazar-Caetano dictatorship naturally *delighted me, as it did all those* who care for freedom, but I was particularly pleased by its rapidity and completeness, because this demonstrated something I have spent most of my life arguing—that those *who live under repressive* regimes know that they do, and don't like it. That may seem obvious, but I assure you that it is not in the least obvious to many who speak and write about these matters, some of *whom have been arguing the* contrary for at least as long as I have been maintaining that most precious truth. The Soviet system, they insist, might not suit us, but *they* like it; *apartheid* in South Africa *is no doubt deplorable, but the blacks* willingly accept it; Mussolini, of course, made the trains run on time; the rulers of Vietnam are enthusiastically supported in the hearts and minds of the entire people of that enslaved country; and Portugal, *so the* same argument ran before Spinola's overnight demonstration that it was a pack of lies, is the happiest nation on earth, and if you gave them a proper election they would keep their *coal in it. (One of the many* reasons for my wish to see freedom established in the Soviet Union is my conviction that the same truth applies there. But I do realise that the proof may have to wait a bit longer.)

Now, however, the Portuguese seem to have gone further, and demonstrated something else, even more interesting and hardly less important. Final returns in the general election there are not yet in, but it appears that the moderate Democratic Alliance will have a narrow but undisputed overall *majority* in Parliament. (Incidentally, Portugal has a system of strictly proportional representation; it is encouraging to see so definite a result emerging from a system often accused of ensuring that no *party can command a majority* of seats.)

What is most interesting *about the result is that it repre*sents a very substantial swing away from the soft-centred socialism of the Soares' government, and thus a radical break with the hitherto unquestioned assumption that only *a system of state control can* keep a country like Portugal, so recently escaped from tyranny, free.

The fallacy was obvious; state control was precisely what constituted Portugal's previous lack of freedom, and every time Dr Soares intoned the hallowed versicles of his watered *Marxism, declaring that capi*talism had to be eliminated if Portugal were to escape falling back into tyranny, he made it more likely that she would, despite his own commitment to democracy, shortly fall forward into it.

It is this principle that the voters, in a formidably huge turnout (over 87 per cent) have sized upon, in voting into power Señor Carneiro's alliance (I have written repeatedly about what I call the political Döppler shift, in which the centre line of the political spectrum is moved so far to the left in the minds of commentators that anything less socialist than, say Mr Norman Atkinson

Senor Carneiro: moderate

can be safely described as right extremism, if not, indeed, full-scale fascism. Senhor Carneiro, as it happens, leads the Portuguese Social Democratic *Party,* but he is now firmly categorized as "right-wing" in the demonology of the left here, and it will not be long before he is accused of wanting to bring back the Salazar regime, and not much longer before he is charged with actually having done so.)

And yet it seems to me that the message from the Portuguese voters is a singularly *encouraging one even for us in* Britain—perhaps *especially* for us in Britain. When the dictatorship was overthrown, there was a *desperately* dangerous period in which it looked possible that that tyrannous rule might be replaced by a far worse one, as the Communists moved swiftly to get their men into positions of power. The danger receded, and the country became, and has remained, truly free in the political sense. But the Oliver Twists of Portugal, having had one bowl of liberty, have now had the temerity to ask for more, and not all the Bumbles of socialism have been able to deny them a second helping. From the Democratic Alliance they doubtless sense that they may get a healthy increase *in* economic freedom to go with their political democracy, and perhaps even political stability too; what is more, they may be right on both counts.

Even some of those here who welcome the Portuguese election result may express surprise at it, saying that democracy is such an infant growth there that the voters can hardly have had time to understand freedom, let alone acquire so pronounced a taste *for it that they want it ex*tended. This is a craven argument; human beings—Portuguese as well as British, and Russian as well as South African—no more have to "learn" that freedom is good for them than that *sunshine* is. (*Besides,* they have had six years of socialism, a period quite long enough for them to discover that *that* certainly doesn't work.) But we in Britain have a particularly good reason for *deriving comfort and hope from* the Portuguese swing. After all, we did something very similar in Britain only a few months ago, and the voters' decision is now under attack more fiercely and implacably than any such decision and ensuing policies have been in my political lifetime, not even excluding the reforms of the Attlee government. (The similar attack on them started much later.)

The struggle going on in this country is between a government which won a substantial *majority in a free election,* and those who intend to prevent that government putting its declared policies into practice. In this latter aim, all those who wish to destroy democracy in Britain altogether are of course united, *as well they might* be, for if the government succeeds their own hopes of power will recede into the invisibly distant future. Unfortunately, they are joined by many who do *not* want to see democracy *destroyed, but who for reasons* of political ambition are eager to put themselves at the head of such extra-parliamentary opposition, and by others who out of political cowardice are unwilling to face the fact that *their very silence is giving it* support.

That is why I say that there is comfort to be drawn for Britain from the events in Portugal. The thing that is now so fiercely under attack *here is being demanded there;* the liberty that is on the defensive here is being extended there; the fears that shake its defenders here are dismissed there. For my part, I welcome the decision of the Portuguese *voters not only* because they seem to have struck out for more freedom, but because they have reminded us that we have just done the same, and that it behoves us not to falter now that the battle for, and against, what we voted for has now been well and truly joined.

LONDON DIARY

Remembering a prophet of gloom

Today is the three hundredth anniversary of the death of Thomas Hobbes, the gloomy philosopher who rather belied his own observation that the life of man was "nasty, brutish and short" by hanging on to the ripe old age of 91.

Despite his generally misanthropic outlook, reflected in his conviction that man's *natural condition* was to be in a state of war against everyone else, Hobbes is being commemorated in a number of places around the country.

In Malmesbury, Wiltshire, where *his* father was vicar and where he was born while Drake was routing the Spanish Armada, the town council commissioned a bronze bust which was unveiled last month.

Oxford University, where Hobbes spent his undergraduate days, and which rather unsportingly burned his books after *his death, has* put on a series of *special* lectures on the man whose *Leviathan* remains one of the classics of English political thought dutifully ploughed through by each new generation of students.

Geoffrey Warnock, Principal of Hertford College, which incorporates Hobbes' old college of Magdalen Hall, held a small party at the end of last week "for members of the local philosophical community to contemplate Hobbes' portrait and study the books that he left to the college".

Mr Warnock says that he is unable to find anything that mitigates the general view of Hobbes as a rather sour apologist for absolutism: "He genuinely did not attach much importance to liberty, and thought that the security of the person and the public order were the only things to be valued."

Hobbes will also be remembered at evensong on Sunday in the parish church of Hault Hucknell in Derbyshire, where he is buried, having died while staying with his patron, the Duke of Devonshire, at nearby Hardwicke Hall. The incumbent there, the Rev Charles Brinkworth, says: "Despite the general view that he was an atheist, there is considerable evidence that he remained a *faithful member of the* Church of England and we will be remembering him accordingly." It is nice to know that in one respect at least Hobbes's reputation is undeserved.

I am intrigued to learn that the BBC is resurrecting its general trainee scheme next year. The much coveted graduate traineeships which brought many of the present top brass into the Corporation, were axed in 1970 because, in the words of one senior BBC man, "we found that we were recruiting and training six Director-Generals a year". Presumably with the present turnover of staff in the upper corridors of Broadcasting House and Television Centre, they feel that they may need that kind of number again.

Party political recordings

Political parties are finally catching up with new technology. The Liberals have just released a cassette recording of extracts from the recent party assembly with David Steel's speech on one side and speeches from the philosophy debate on the other. Priced at £5, it has already sold over a hundred copies and is going "like warm buns, at least, if not quite hot cakes", according to Mrs Evelyn Hill, the head of the Liberal Publications Department.

Although the Liberals are the first major political party to sell recordings of speeches, the Socialist Workers Party has been in the business for some time. Their 17 cassettes, which sell for between £1.80 and £2.20, include examinations of Sex and Fascism, Racialism and the IQ Myth, and Whatever Happened to Black Power as well as lectures by Paul Foot on Shelley as a revolutionary and on the Paris Commune.

The SWP's biggest seller is a tape on the World Crisis which has so far sold 200 copies. Somehow I think it will be a few years before EMI or Decca sign up Messrs Steel and Foot for their own labels.

Christmas is coming in the capital. The first of this season's Messiahs will be performed this evening in St. Paul's Cathedral, and the usual giant Christmas tree from Norway, which is already in place in Trafalgar Square, will be lit up a week today.

Micro-industry

New technology of a different kind is increasingly being used to preserve the essential flavour of British institutions for posterity, or at least for the apparently insatiable appetites of research students in the United States and Japan. The microfilming of historical documents, so that they can be read with ease in libraries in Tokyo and Los Angeles, hitherto been largely conf to the archives of poli parties. Now the net is spr ing wider.

A Yorkshire firm has finished filming an entire from 1879 to 1939 of the *Cry,* the newspaper of the vation Army, together other early Salvationist p dicals. Meanwhile, a comp in Sussex is preparing to on film the annual reports major trade unions. The unions to be tackled are NUR and the GMWU.

One of the most poig features of these reports the references to the s craft unions which were a gamated to form the giant glomerates of today. The N took over the Un Pointsmen's and Signalm Society while the GMWU s lowed up the Cumberland Miners, Welsh Artisans, Plumbers and Saw Grinders.

A final footnote to the Bl affair: an expert genealo tells me that the Professor not only a third cousin to Queen, but also a fo cousin to Sir Oswald Mo and to the present For Secretary. With relations that who needs friends?

Ian Bradl

Le Monde
LA STAMPA
THE TIMES
DIE WELT

Europa

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Oil weapon can be blunted by united stand

the threat of energy chaos looming ever r, **Dr Guido Brunner**, the European nunity Energy Commissioner, makes a g plea for greater cooperation between .oping states, oil-producing countries and industrialized nations. Below Dr Nigel s, of Imperial College London, examines bizarre effects of replacing a common ;y policy with national alternatives.

world has gone mad, said the grey-haired pilgrim to the r. "Shooting in Mecca, Kabah, the most sacred ı earth, just think of ow will it all end?"

. right. In Tehran diplo- *immunity is trampled* foot, members of an y are held hostage and ıed with death. The m embassy in Islama- *ıes up in flames*. A ide system—civilized *of procedure that have* up over centuries—is The chaos threatens to to oil supplies, to cur- stability, to free world Is this the end of the rise in living standards, of freedom of develop- f civilization?

s a weapon, the spread- fear, could plunge the into chaos overnight. *wars, with embargoes* oumter-embargoes, are ·lose at hand. Trade ·entually turn into real

an still prevent all that. r, Europeans, Ameri- *the Western industrial* the Eastern industrial, China, the oil-producing ıs and the developing ıs, can withstand the *they act in solidarity*. weapon is blunted if d together.

nust not allow the possible loss of some three million *barrels of oil from Iran*, about 5 per cent of world production, to shake the world to its foundations. We must now look to everybody's higher interests. *Relations of mutual trust* between all countries, the inviolability of human dignity—*these* are the foundations on which everything else is built: our economic progress, the stability of our communities, however different they may be individually.

We must not become prisoners of a development which crushes us and opens up *Pandora's box. Otherwise violence* will be the characteristic feature of politics in the remainder of the century.

There have been differences of opinion between the United States and the European Community on trade matters and on energy. The role in world trade of the agriculture of the two economies has brought tensions, as have excessive *American energy consumption* and that country's drawing of vast quantities of oil from the world market.

We Europeans have not been short on criticism. *More than* once we have said that in the long run the United States is acting irresponsibly towards the rest of the world, particu*larly* towards the developing countries, in allowing for example air-conditioning alone to consume as much electricity as is used for all purposes by China.

Such differences will persist in the future. Opposing interests will come into conflict. But now is not the time to settle matters of this sort. Now is the time for the world to be told that the European Com*munity stands by America* in its tribulation. Europe knows what it would mean for peace, for our prosperity, for our freedom, if America's world credibility were to be destroyed.

There is no other power to take its place. Anyone attacking the dollar must tell us what he is going to replace it with. *He will seek in vain* for such a replacement. Oil sales are an immediate case in point. Only the dollar is a suitable vehicle for the flow of funds; only the dollar can provide sufficient investment opportunities for oil revenues. If the world economy is damaged, we all suffer. How then will trade, on which all of us—particularly in Europe—are dependent, function?

It will depend on solidarity—but that must include oil-producing countries, consumer states and developing nations. The oil-producing countries must not, now, withhold oil from the world, and must not start a new price campaign. We shall enter the 1980s with an appreciably weakened economy. The old problems—inflation, unemployment, a slowing-down in growth, industrial renewal—*are far from having been* solved by any of the industrial nations. The developing countries are strained practically to breaking point. The burden im*posed on them by the oil crisis* has increased almost tenfold since 1973. These countries simply do not know how they are going to solve their prob*lems of growth* and financing.

Therefore the oil-producing countries must refrain from causing fresh disorder in the world economy and in the international monetary system. In their own interest they cannot give up the dollar as a reference currency for oil pricing. They must not produce an artificial scarcity on oil markets.

If the principal producing countries now cut back their production, the will of the consumer states to economize will be damaged. Nobody likes giving things up for no purpose. If every tonne of oil we save is left in the ground by the oil-producing countries rather than being made available to world markets to secure stabilization, the energy-saving policies of consumer countries will fail politically.

There would inevitably follow a fight for oil, with no holds barred. The main sufferers would be the Third World countries, which in such a situation would be unable to hold their own. There would then be a *sharpening* of the political conflict going beyond anything we have yet experienced and affecting all countries, in West and East alike. The repercussions would eventually hit the oil-producers *themselves. In the universal* chaos those countries would not survive as islands of affluence and prosperity.

Of course, we should not *just point the finger at the* oil-producing countries. We must do something about our own conduct. Our consumption of oil is far too high. It must *be brought down. One course* of action is out of the question: we must not again try to save oil by having a recession, as happened after 1973-74. That remedy *will* cost us too dearly. There are other possibilities. We can cut out waste and use energy far more rationally than hitherto.

In the European Community we have taken decisions to save oil. These decisions were confirmed last summer at the world economic conference in Tokyo and adopted by other countries as well. We agreed that most countries' oil imports should not be higher in 1985 than in 1978 or 1979.

To achieve this, some major changes will be necessary. We must replace antiquated industrial plant. We must do away with poor insulation and energy-wasting transport systems. We must introduce more economic methods into private households. If energy sources and modes of energy use are carefully matched, consumption can be reduced by up to 30 per cent in industry, 35 per cent in the transport sector and 50 per cent in the home.

Such an undertaking would *be expensive. Conversion* to these energy-saving techniques would cost us several thousand million dollars annually over the next 10 years in the European Community alone.

Second, we must develop our indigenous sources of energy and our new technologies. The exploitation of such possibilities is the key to sparing the world future energy crises. We in the European Community, together with other industrial nations, have pledged ourselves to mobilizing all available alternatives to oil. Coal must *be made use of and new tech*niques such as coal gasification and coal liquefaction. The development of non-exhaustible energy sources such as solar *power must also be considered.*

Substantial resources are now available to finance such programmes in the EEC. Those who are always complaining *about Community spending on* agriculture should realize that 70 per cent of the EEC research budget—about $1,500m—is devoted to energy research.

Finally we must be quite clear that without an expansion of nuclear power in the coming decades no growth in our economy or improvement *in our employment will be pos*sible. A country that renounces nuclear energy is creating a dangerous situation on world energy markets in the long *term. That the use of nuclear* energy should take place under conditions which guarantee the safety of the population I consider to be a matter of priority and a matter of course.

If we are successful with *this policy*, we will bring about an equilibrium of interests. We will conserve oil resources. That is in line with the wishes of the oil producers. They will *be able to plan their develop*ment over the long term. It will be to our own benefit also. We, too, have an interest in oil lasting as long as pos*sible. By acting reasonably our*selves, we enable the oil-producing countries to act reasonably. Then they will not need to defend their precious raw material with absurd *prices*.

By our conduct we can give them a signal which encourages them to pursue moderation. At the same time *we will be doing something for* our balance of payments in oil and hence for our economy. Politically we will have greater freedom of action.

Naturally this will be achievable only if we and the oil-*producing countries under*stand each other. We must talk. Each side must know for certain where it stands, what the other side intends, how it *sees developments. For this* dialogue a solid base is needed.

Cooperation should not be confined to merely refraining *from inflicting mutual damage*. It must develop into an active economic, financial and technical exchange in all sectors. Only thus can trust finally be created.

Let us make a fresh start. Let us sit down together and open the great dialogue be*tween developing countries*, oil-producing countries and industrialized countries. Let us begin with the world conference on energy and develop*ment. The Secretary-General of* the United Nations could convene a preparatory conference for this purpose as early as in the next few weeks. In this *way we will prevent our rela*tions being prey to irrational moods and prevent energy chaos.

A miner at Easington Colliery, co Durham. More coal could be produced at lower cost if the aid to continental producers were redirected to investment in Britain. Photograph: Brian Harris.

Nationalism exacts a high price

:llism is expensive. Out- *of war*, rarely can gnty have been more than in its contribution rope's vulnerability in supplies. The member *of the Communities in*st energy policy is a for national govern- the Commission's latest ves betray its acquies- the "convergence of] policies" has rep- the construction of a' ɔn energy policy".

e would be few advo- of the proposition that ɔarate regions of Europe develop *their own nu-* industries or that the : Gas Corpporation have a purchasing oly of North Sea gas. It ırcely *less absurd* to that the sum of energy s' of nations is an ade- substitute for a common

article compares the ıres of energy supply in :C *with those* of an ima- alternative—a common · market of long stand- : is based on facts from st and present, but some *eration has* been used in ɔing the fictitious com- :nergy market. The ploy ɔmpensation for the vivid ıds of sovereignty which :ctively *limit perception*.

nuclear industry is a *cular example* of Euro- particularism run amuck. e and Germany each has n national constructor of ·rs. Together they could *15 GW(e)* a year, but ned orders recently have ged *6 GW(e)* and the t is unlikely to improve Neither company can use its heavy commit- in plant and people— *werks Union is in espe-* deep trouble.

y and Britain have light reactor programmes will make minimal use eign facilities, will add to overcapacity, and will ore waste resources.

the imaginery federal *ative these problems* solved long ago. The ini- es of private capital to e the number of sup- by international alliance allowed to succeed. Two rtia emerged based on *ure vessel manufacture by* ı in Italy and Framatome rance. Rare architectural eering skill was gathered associated design companies, and other components were made by the suppliers best able to make them. The advantages of concentration and specialization appeared in better assurance, higher relia*bility, lower costs* and shorter lead times.

The real EEC is hoping for 90 MW(*e*) of nuclear generating capacity in 1990, making a contribution of 200 million tonnes of oil equivalent (mtoe) to primary energy demands; the imaginary common energy market is expecting 350 mtoe. The low capita, cost, high reliability and short construction times of the plant emerging from the efficient *nuclear* industry of the common energy market encouraged nuclear investment. Also, more reliable plant operates longer each year and displaces *more oil*. In historic fact, the reactors of Kraftwerks Union, the constructor which more than any other shops around for the best outside *its home country*, have operated about 10-15 per cent longer each year than those of other constructors.

The coal industry has the greatest economic *distortion* within European energy markets. The subsidies paid to producers in 1978 and the investments in that year are shown in Table A.

Investment in the industries, relative to their size, is similar among nations despite the disparate levels of subsidies. These subsidies *misleadingly* suggest that the commercial *prospects* are better in some countries than in others, and are a transparent misallocation of resources. More coal could be produced at lower cost if the aid to continental producers was redirected to investment in Britain.

Protection of European coal production began in the late 1950s after the catastrophic loss of markets to oil. The Community executive fought for a coherent system of protection, but suffered a devastating defeat.

In the imaginary common *energy market* the executive succeeded: subsidies were allocated evenly and consequently production was consequently on the most economic mines of Britain and Germany. The resources saved were used to retrain and compensate displaced miners, to finance new investment, to prospect and to develop automated mining and coal processing. British output was restored to its 1937 level of 250 million tonnes (including, as then, 50 million tonnes *of exports* to the Continent); output in Germany, a less fruitful prospect, stabilized at the 1960 *level*—180 million tonnes. Coalmining was abandoned in France and Belgium, but they obtained twice as much coal from joint ventures in the Britain.

In a common market there are common prices, adjusted for legitimate economic consequences of geography. Aberrations such as the *sale* of domestic electricity in Italy at *a 50 per cent discount*, or the sale by British Gas of domestic gas at two thirds of the replacement cost, are not tolerated. Prices are aligned on long-run marginal costs and are on average 20 per cent higher than those of the sovereign reality; consumption is accordingly 6 per cent lower.

More important, the extra revenue in such a common market has been consistently invested in energy conservation projects with pay back periods averaging 10 years. Annual investments of 20 per cent of energy costs with this rate of return reduce growth in energy demand each year by 2 per cent; in 20 years the *cumulative effect is to cut* demand by 30 per cent. The common market was essential to this policy because it preempted worries about dis*tortions in competitiveness* arising from uneven commitments to conservation.

The consequences of all this are summarized in Table B as a comparison of the 1990 forecasts made by the real EEC with the forecasts for the same years made by the imaginary analogue the latter were obtained by adjusting each component of the EEC forecast in accordance with the earlier suppositions.

This is an exaggeration, of course, but difficulties in counting the cost must not obscure the deficiencies of parochial policies. The struggle between European nations for short-term advantages prevents a common approach to more efficient use of energy; resources allocated to energy production are misused; opportunities are lost.

The legitimate constraints of sovereignty cannot be ignored, but their worst effects can be avoided by carefully struck bargains inside and outside the energy sector. It is likely that only a united Europe can survive the trials of the future. *Energy may not prove in the* long run to be the greatest threat, but it will certainly be the most immediate.

The gains from a common exploitation of human and physical resources are high; convergence is not enough.

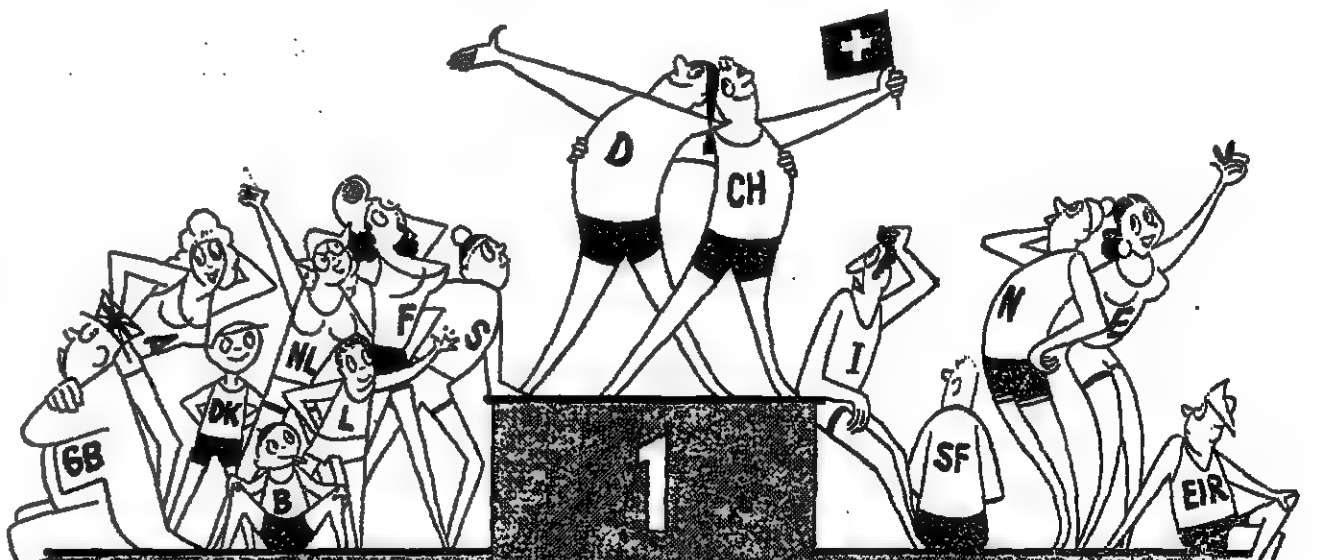
Table A

	Ger	Fr	Bel	UK	Total
Production (million tonnes)	90	19	6.7	115	231
Aid (mEUA)	1750	510	250	210	2700
Aid (EUA per tonne)	19	27	34	2	11.7
Investment (mEUA)	309	70	24	540	943
Investment (EUA/tonne)	3.4	3.7	3.6	4.8	4.1

Table B

	EEC (1990) (mtoe)	Common Energy Market (1990) (mtoe)
Total demand	1400	900
Coal imports	55	55
Coal production	195	270
Nuclear	210	350
Hydro	45	45
Oil/gas production	240	240
Oil/gas imports	655	–60

Dr Lucas is a lecturer in energy policy. He has written on behalf of the David Davies Institute of International Affairs, Energy and the European Communities, Europa Publications, 1977 (£5.50), and Energy in France—Planning, Politics and Policy, Europa Publications, 1979 (£15).



Scales tip against Europe and Japan

For about 10 years—and especially since 1974—the competitive positions of the leading industrialized countries have been affected by far-reaching changes. Factors such as labour costs, capital costs, productivity and exchange rates have tipped the scales in favour of the American economy and against Europe and Japan, writes Philippe Heymann.

Although there is increasing disquiet in the United States at the slow rate of growth in productivity in that country compared with its competitors, the *collapse of the dollar has* largely offset the effect of this in relation to Europe and still more in relation to Japan, which until 1978 suffered from the upward movements in the value of the yen. As was *emphasized in the recent* report by the Interfutures group of the Organization for Economic Cooperation and Development, "Japan and the countries of Western Europe, still more than the countries of North America, are suffering a deterioration in their average competitive position in labour-intensive industries".

Simultaneously, the emergence of the "newly industrializing countries" is setting the scene for further disruption. "The present situation", the Interfutures report comments, "contains the potential for *considerable pressures on the* structures of certain developed countries." It is true that these new industrial countries' share in world exports of manufactures has been *rising sharply* and consistently, from 2.6 per cent in 1963 to 6.3 per cent in 1973 and 7.1 per cent in 1976. The consequence of this development has been a rapid increase in their share of world-*wide industrial output*, which almost doubled between 1963 and 1977, from 5.4 per cent to 9.3 per cent.

At the same time, however, it is being realized that competitive positions are not determined wholly by costs, industrial productivity and exchange rates. Despite their heavy handicaps over recent years, West Germany and Japan are *tending to strengthen their* shares of world markets by rapidly disengaging from products which are subject to keen competition from the de*veloping countries and by dis*playing impressive dynamism in industries relying heavily on skilled manpower and those considered central to control *of the international division of* labour (data processing, telecommunications and so on).

Between 1963 and 1976 Japan doubled its market share in these sectors. Between 1973 and 1977 it even managed to increase its share of American imports of manufactured goods *from 20.5 per cent to 23.4 per* cent whereas the nine members of the European Community saw theirs fall from 28.8 per cent to 23.4 per cent.

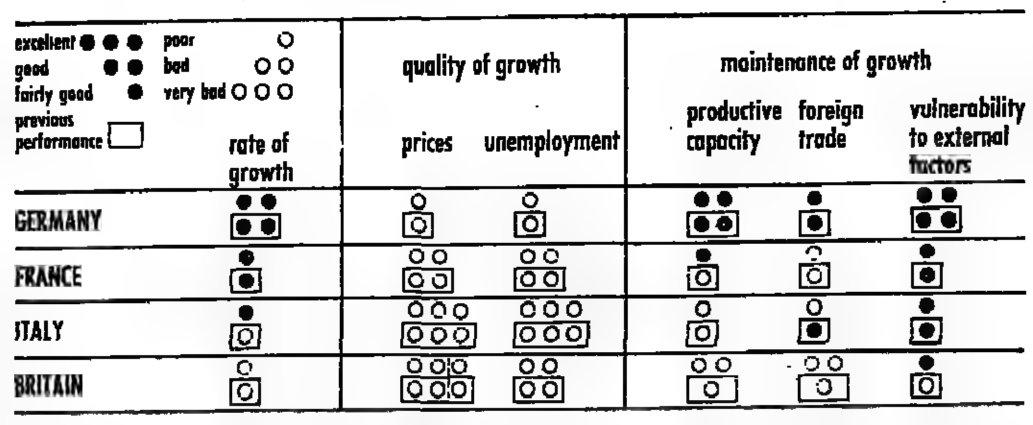
West Germany and Switzerland are both countries whose *currencies have been revalued* regularly, but they come out top in the survey of the industrial competitiveness of European countries published recently by the European Management Forum in Geneva. As M Gérard Tardy of the French Commissariat général au Plan observed recently at Arc-et-Senans': "A gulf is growing between West Ger*many and the rest of the* Community: the Germans actively adapt to future trends in the distribution of tasks in the world, whereas the other *countries prepare themselves* less actively for the changes ahead"

Behind the data on comparative competitiveness there lies *the general problem of indus*trial redeployment and for the Community this raises many other important questions: how can a coherent common external commercial policy be formulated when the gulf be*tween its members is* widening? Will not the debate between the free-traders and those who support a measure of protectionism become increasingly heated? How can a homogeneous European monetary *system be maintained* under such conditions? How can the permanent dilemma between the aims of increasing productivity and competitiveness on the one hand and combating unemployment and stimulating job creation on the other be resolved?

continued on page III

Facts and figures

Still no suggestion of disaster



What is most surprising about the international situation is the contrast between the psychological and monetary aspects, which are conducive to dramatization, and the real aspects which, at least for the time being until the end of 1979, contain no suggestion of disaster—quite the contrary. In France, for instance, the most recently announced results were surprisingly better than forecasts of only a few months ago; the graphs for industrial output (plus 5 per cent) and unemployment (successive falls in September and October, bringing the rate down from 6.55 to 6.2 per cent) provide convincing evidence of the improvement.

The Conseil National du Patronat Français (empoyers' national organization) emphasizes in its most recent review that activity is still holding up and should continue to grow over the next few months at a rate of about 3 per cent. It points out that output is in excess of consumption and that it is being sustained largely by private productive investment (at last) and to an appreciable extent by stockpiling. The Bank of France survey of business leaders shows that they remain by and large confident. Less encouragingly, the trade balance deficit was a little worse in October (nearly 3,000m francs, and more than 9,000m francs over the first 10 months). Nevertheless, the more significant current *account balance of payments*, bolstered by invisibles worth more than 2,000m francs a month, is in surplus.

In West Germany the situation is exactly the reverse. The trade balance is in surplus, as the graph shows, although there has been a fall in the cover of imports by exports, which has settled at about 105 per cent, whereas the current account is in deficit (by DM2,400m in September). During 1979 the level of activity has been much higher in West Germany than elsewhere and this has meant that imports have risen much more sharply (up by 18 per cent in the first nine months compared with the corresponding period in 1978) than exports (up by only 10 per cent). Industry's order book picked up by 2.2 per cent in September after a fall of 4.3 per cent in August, so that output should be sustained and the growth in the gap from 1978 to 1979 could turn out to be between 4 and *4.5 per cent.*

It is striking that in West Gemany activity is being maintained primarily by investment (investment to improve productivity, but now, in veiw of the level of plant use, investment to increase capacity also) and apparently much less by stock-piling than in France, except in the case of oil, imports of which have risen as they have everywhere else, not only because of price increases but also in volume.

The situation in Italy is less good. Activity has slackened, although the most recent statistics for industrial output (the September figures showing a 4.5 per cent increase on last September) suggest a turn for the better. However, in that country much more than in France, there are grounds for concern about the effects of he inflationary climate and precautionary buying, while productive investment has tended to slacken further (with *growth of only a few* percentage points in 1979). The trade figures are also gloomy, with a deficit on the balance of trade and even on the current account in September—421,000m lire and 589,000m lire respectively.

The oil import account is beginning to make an impact, with the twofold effect of higher prices and precautionary buying. Italy obtains a high proportion of its energy supplies from foreign sources: about 75 per cent, much the same level as Japan. The Italian economy is therefore in danger of losing its greatest asset—its ability to maintain surpluses on foreign trade.

Britain is without doubt the most poorly placed of the four largest European countries. Admittedly, it is not easy to interpret the economic statistics, since they have been distorted by the effects of the abrupt change of direction instigated by Mrs Thatcher's Government, especially the *July increase* in value-added tax which set off a spate of anticipatory buying followed by a lull and this has distorted our calculation of retail prices, which is based on a moving three-month period.

The effects of the industrial disputes have compounded the difficulties of statistical analysis, but despite these obstacles, and especially if the favourable influence of North Sea oil on activity and the trade balance is discounted, it is now clear that the situation in Britain is deteriorating. Industrial output fell by 3 per cent in September.

In contrast with France and West Germany, business leaders are becoming more pessimistic with each month that passes. This is confirmed by the survey carried out in October by the *Financial Times* which indicates that confidence—admittedly undermined by the recent engineering strike—is at its lowest ebb *since late 1967 so that investment* plans are being trimmed and consideration is even being given to reductions of workforces.

The effects of the massive increase in minimum lending rate from 14 to 17 per cent on sterling, exports and the cost of oil (more than 20 per cent), with those of the 5 per cent cut in public spending yet to come, will add to the bitterness of the pill to be swallowed before the British economy is restored to health.

In the case of Britain at least, the prospects for 1980 are fairly clear. Cambridge Econometrics, like the EEC Commission, expects a recession of between 1 and 1.3 per cent and a sharp rise in unemployment. It is to be hoped that austerity will help to bring about the necessary industrial recovery.

The outlook for the other three large European countries is less clear. Herr Emminger, President of the Bundesbank, thinks that West Germany's gnp could increase by 3 per cent, but he is more optimistic than the five economic institutes, four of which are forecasting 2.5 per cent and the fifth, Kiel, only 1.5 per cent. Whatever the outcome, West German expansion, even if at a slower rate, will continue to be supported by a steady flow of investment, which should help to secure healthy growth in the future. France can look forward to a growth rate of 2.1 per cent according to the Organization for Economic Cooperation and Development, although the French Government is talking in terms of 2.5 per cent, and the figure advanced for Italy is 1.5 per cent.

These forecasts may not be brilliant, but nor are they catastrophic. They are nevertheless highly vulnerable to the two unknowns which have already caused them to be revised frequently. The first of these is the cost of oil relative to manufactures, which many forecasts—including these of the OECD—assume will remain unchanged during 1980, whereas others expect further increases and yet others a fall in response to the slowing in the world economy. Prediction is impossible in this area since, although oil consumption is falling, the producer countries can well reduce deliveries. They are already talking and the possibility of a reduction of three million barrels a day is being mooted.

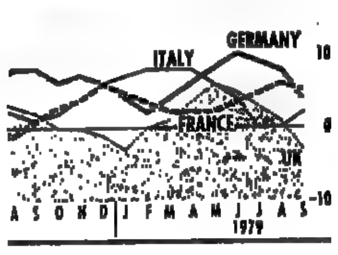
The second unknown is the trend in interest rates, the escalation in which is beginning to cause alarm and to arouse protests in the United States, where the banks have actually been accused of behaving like Opec. Is there not a danger that countries vying to attract capital will outbid one another too far above the level dictated by inflation and bring their economies to a grinding halt?

Herr Emminger does not think so; he believes that rates are now at their peak and that they will come down in line with prices.

Maurice Bommensath

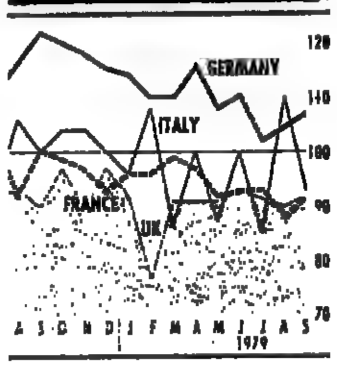
INDUSTRIAL GROWTH

basis: seasonally adjusted index of industrial production excluding the building industry



Growth rate: Between August and September industrial growth held firm in France (5 per cent) and slowed slightly in West Germany (4 per cent). Production fell by 3 per cent in Britain and improved slightly (by 2 per cent) in Italy.

FOREIGN TRADE

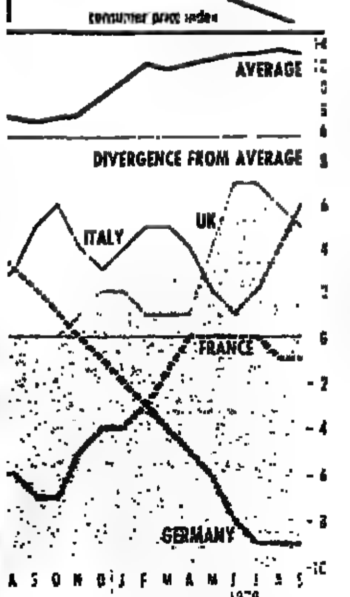


Foreign trade: Seasonally adjusted cover of imports by exports (calculated fob/cif) is settling at a lower level in West Germany at about 105 per cent (105 per cent in August and 107 per cent in September) and in France at about 90 per cent (92 per cent in September and 89 per cent in October). Italy has suffered another heavy setback from 104 per cent in August to 93 per cent in September. There was also a sharp fall in Britain, to 85 per cent in October, although calculations have been difficult because of the distortion of statistics caused by the industrial disputes.

PRICES

£ L Dm Fr

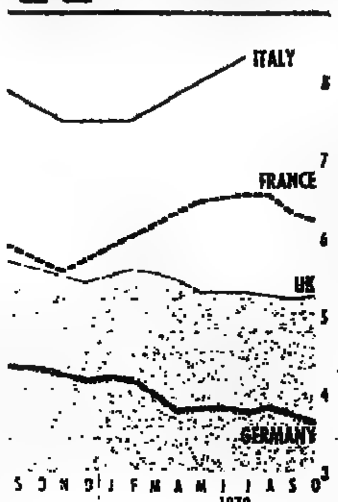
consumer price index



Prices: The average inflation rate for the four large European countries levelled off in October at about 13 per cent. This reflects a considerable deterioration in Italy, where the rate is now about 20 per cent, and a relative improvement in Britain (17 per cent) after the abrupt rise caused by the July increase in value added tax. There was almost no change in West Germany (3 to 4 per cent) and France (12 per cent). These rates are calculated on the basis of the three most recent months for which statistics are available (August, September and October). The year-on-year rates are West Germany 5.7 per cent (rising), France 11.1 per cent, Britain 17 per cent and Italy 18.1 per cent.

UNEMPLOYMENT

estimated unemployment rate as a percentage of the working population (not comparable)



Unemployment: Seasonally adjusted unemployment as a percentage of the working population once again fell slightly between September and October from 3.65 to 3.6 per cent in West Germany, and more appreciably in France, from 6.3 to 6.2 per cent (the second successive fall). In Britain, however, there was an increase from 5.2 to 5.25 per cent.

On the contrary

Christmas gifts for young Europeans

Eurocrat's outfit. Briefcase, spectacles, worried frown. All you need to play at building Europe.
Desperanto set. Build your own Tower of Babel with this pack of novelty cards.
Council Scrabble. The international alternative to racing demon. Brass knuckles an optional extra.
The adventures of Perry Patetic. De luxe edition of this classic tale of a parliament's quest for a home.
Mini-financial mechanism. Full-scale working model of a perennial favourite from Dublin. Money-back guarantee.
Enlargement kit. Blow up your own photographs, or your Community, by numbers.
The energy game or now you see it, now you don't. Battery operated.
Dunce's CAP. Finance your own surpluses with this full-size home dairy and make Europe a land flowing with milk and money.
Job creation. The 1980s version of snakes and ladders. Very dicey.
Convergence. Can you beat the mutually repelling magnets and bring the Ten together.
Free-for-all inflation pump. For balloons, bicycles, money supply. Includes unlimited dummy currency.
Up Jenkins. A new twist to a favourite parlour game: see who can stay in the chair.

PANGLOSS

From gypsy's parlour to the boardroom

How predictions fared 10 years on

Ten years ago the crystal ball began to move from the gypsy's parlour into the boardroom. Now that we are about to enter into the 1980s it is a good moment to evaluate the forecasts made 10 years ago about the world in which we should find ourselves.

Gilbert Mathieu, commenting in *Le Monde* in January, 1971 about the Organization for Economic Cooperation and Development forecast for output in 1980, cautiously wondered whether these predictions would be as accurate as they had been in the past. The table shows how right he was. It now looks as if the OECD countries will have grown in the 1970s by only about half the amount which was originally planned. The main reason for this failure is of course that the OECD did not predict the oil crisis. M Mathieu also presciently referred to the likelihood of growing pressures from inflation and unemployment.

Actual and Forecast Rates of Growth

	Forecast annual rate of growth 1970-80 (1)	Actual annual rate of growth 1970-78 (2)	Change over 1965-70 estimated rate: Forecast (3)	Actual (4)
Countries whose growth rates were expected to accelerate:				
France	6.0	3.9	0.6	—1.5
Canada	5.4	4.6	0.6	—0.2
Austria	4.9	3.8	0.6	—0.5
United States	4.7	3.2	1.0	—0.5
Belgium	4.7	3.4	0.5	—0.8
Britain	3.2	2.1	0.8	—0.3
Countries whose growth rates were thought likely to slow down:				
Japan	10.0	5.3	—2.4	—7.1
Spain	5.5	4.3	—0.2	—0.4
Italy	5.8	2.8	—0.5	—3.5
Germany	4.6	2.7	+0.2(5)	—1.7
Netherlands	4.8	3.2	—0.1	—1.5
Switzerland	3.3	0.7	0.0	—2.6

Sources:
(1) *OECD Growth in Production 1960-1980 as quoted in* Le Monde *January 12, 1971.*
(2) *Based on GDPs from OECD September 1979 Main Economic Indicators.*
(3) *Calculated from (1) above.*
(4) *Calculated from (1) and (2) above.*
(5) *Change over 1960-1970 is —0.1 per cent.*

Although the OECD failed to forecast the rate of growth of the developed world some credit should be given to them for predicting roughly the right order in which countries would stand, not only in terms of their growth in output per head over the period which might have been achieved simply by extrapolating past trends, but also in terms of the extent to which their growth rates would slow down.

Even here their performance is *not startling. There is no* consistent relationship between forecast and outcome either for growth or for the rate of change of growth. Moreover even though the OECD successfully ranked most of the countries, they thought France would show a rapid increase in growth rate and Spain a reduction. In fact, France's growth rate fell more sharply than that of Spain. In terms of output per head, Italy was thought likely to show one of the most rapid percentage improvements and Canada to progress relatively slowly. History shows that Canada had the third highest increase of the countries listed while Italy came only seventh.

Qualitative forecasts are easier to get right than quantitative ones. In October, 1969, *The Times* commissioned an eminent sextet of savants—Arthur Koestler, Sir Julian Huxley (who wrote with Max Nicholson), J. K. Galbraith, Herman Kahn, Sir Bernard *Lovell and Professor* Asa Briggs—to describe their vision of life in 1980.

The articles by Koestler and Asa Briggs show the greatest contrast. Even after this lapse of time Koestler's article is still an excitement to read. It may yet prove a good forecast of life in 1990, but by 1980 standards, from the abolition of clerical celibacy to the introduction of communal electric cars, he was wrong on almost every testable prediction he made.

Perhaps Koestler's closest prediction was that it would be considered irresponsible to marry without having previously engaged in a trial affair. According to *Now!* magazine, 36 per cent of British 15-24-year-olds in 1979 disapproved of marrying someone they had not slept with, but a similar number, in fact 39 per cent, approved.

As a final touch to an exciting run of misses and near misses, Koestler quoted Buchner that "deep down in us there is a small smiling voice that says that tomorrow will be like yesterday", and wrote that this voice told him that on October 6, 1980, he would be doing *The Times* crossword puzzle No 15,691. Thanks to the rise in industrial unrest which he failed to foresee, his crossword will be some 350 short of this number.

Asa Briggs, on the other hand, took a more stolid view. He listened to the "small smiling voice" and prophesied that a number of commonly-predicted events such as the advent of the post-industrial society in which work becomes play would not have happened by 1980. Not only was he right with these negative prognoses, he also made correct if less exciting predictions. For example, he foretold an all-round increase in paid holidays (in 1971 in the United Kingdom 28 per cent of manual workers received only two weeks' holiday and only 4 per cent over three weeks, by 1977 almost none received only two weeks and 81 per cent three weeks or more), and an increased prevalence of participatory pressure groups in politics.

Herman Kahn is a professional futurologist so one expects a good record. His article was concerned with the way in which computer technology would change our way of life. Points must be awarded for his prediction that computer power would rise by a factor of 10,000 since he also said that many of the seemingly most extravagant technical predictions would be thought conservative in 1980. On the other hand, Kahn appeared to see the future in terms of the large computer philosophy prevalent in the 1960s. It is calculators, not as Kahn had predicted computer-assisted instruction, which have become ubiquitous in schools.

Seen from today, this article contains only a few more hits than misses. However, many of Kahn's forecasts run up t[illegible] 1985, so some like compute[illegible] run homes for richer famili[illegible] may still be fulfilled. It no[illegible] looks, however, as if legislati[illegible] to protect individuals again[illegible] computer data banks will [illegible] introduced before rather tha[illegible] after their misuse, as Kah[illegible] had prophesied.

Possibly as a result of h[illegible] experience as an economis[illegible] Galbraith, when discussing th[illegible] future course of foreign rel[illegible]tions, made few predictio[illegible] which could be tested again[illegible] experience. Huxley and Nicho[illegible]son, writing on the enviro[illegible]ment, also made relatively fe[illegible] testable predictions.

Unfortunately, where th[illegible] were specific they were al[illegible] wrong. They quoted wi[illegible] gloom a forecast that by 19[illegible] the United Kingdom's popul[illegible]tion would rise from 56 millio[illegible] to 61 million and comment[illegible] that it seemed improbable th[illegible] stability of numbers could [illegible] reached by 1980. In fact th[illegible] population has remaine[illegible] steady at 56 million although [illegible] may now be beginning to ris[illegible]

As he himself admitted, Be[illegible]nard Lovell in writing o[illegible] space exploration had one [illegible] the easier tasks since the tim[illegible] scale for the implementatio[illegible] of major projects is so lon[illegible] Moreover the disposition [illegible] planets in their orbits is on[illegible] aspect of the future which c[illegible] be foreseen with accurac[illegible] As a result Sir Bernard w[illegible] able to point to the likelihoo[illegible] of an unmanned space fligh[illegible] past Jupiter, Saturn, Uran[illegible] and Neptune. Flypasts simila[illegible] but not identical to this a[illegible] now taking place.

Our review suggests th[illegible] with the exception of ele[illegible]tronics, forecasts were mor[illegible] likely to be wrong when the[illegible] were sensational than whe[illegible] they were moderate. Furthe[illegible]more, despite the apparent pr[illegible]cision of numbers, direction[illegible] and trends were easier [illegible] detect than to quantify.

In future if we are going t[illegible] quantify we should quo[illegible] ranges rather than singl[illegible] figures and the width of th[illegible] range representing the amoun[illegible] of uncertainty for which w[illegible] should plan may prove mor[illegible] important than any single est[illegible]mate.

Now that we have reache[illegible] the time of which he wa[illegible] speaking, we can see the acc[illegible]racy of Asa Briggs's final for[illegible]cast: "There will still be [illegible] feeling—for many it will be a[illegible] apprehension—that the bigge[illegible] changes lie ahead."

James Rothma[illegible]

A step towards averting EEC bankruptcy

Increased milk grant would be painless remedy

For some years now discussion on how to curb the rapidly mounting costs of the EEC's Common Agricultural Policy has been going round in circles. Although time is pressing, and the European Community is heading for bankruptcy, not one single effective step has been taken towards the formulation of a realistic programme of reforms acceptable to all member states. Yet vast sums could be saved on the EEC's milk marketing policy alone, enough to consolidate the financial position of the Community as a whole, at least for the time being, without recourse to other sources of revenue.

However unlikely it may appear, there is in fact an effective ready-made remedy which would greatly benefit the taxpayer and impose no sacrifices on the farmer. Ready-made remedies, of course, are usually viewed with scepticism; but there are certain facts and figures to draw on which should make it clear to everyone that there really is a genuine opportunity for a thorough-going reform of Community finances. To substantiate this, one or two explanations are necessary, but these can readily be grasped without any intimate knowledge of the maze of EEC regulations.

The Commission in Brussels has calculated that Community revenue from all sources is at best sufficient to cover about one year's outgoings, and that by 1981 the EEC will already be in deficit to the tune of £400m, a deficit which will probably increase by the end of 1982 to £900m. In 1979 the budget for the Common Agricultural Policy alone accounts for £6,400m out of a total Community budget of £9,200m.

Dozens of suggestions have been made on how best to curb the costs of the Common Agricultural Market. However much they may differ in the solutions they put forward, they all take the EEC milk marketing policy as an important, and in some cases as the sole, starting point. This is not merely fortuitous. The Common Milk Marketing policy swallows up more than 40 per cent of all expenditure on farming, and alone accounts for close on 30 per cent of the total EEC budget.

The costs are so high because whereas demand for dairy products is stagnant, output continues to rise, largely because average milk yield is constantly increasing. To ensure disposal of the resulting surpluses the EEC pays out subsidies amounting when converted to 15p per kilo of milk. This is more than farmers receive from dairies for their milk. Actual expenses can be somewhat higher or lower than the amount of subsidy at this rate, according to how the surplus milk is disposed of. Economists and EEC Commission experts are all in agreement, however, that this rule-of-thumb figure corresponds with the realities.

For more than two years the authorities in Brussels have been trying to stop producing milk by offering them grants. But here the keepers of the cash in Brussels, of necessity prodigal spenders in other respects, have set about trying to make savings in the wrong way. Farmers are offered, in return for giving up milk production, an average sum, when converted, of 2p per kilo of milk, which comes to just under one-seventh of the cost of disposing of the same quantity of surplus milk.

Not surprisingly, the results of this measure have so far been scanty. Only very few farms have found the present scale of grants sufficient inducement to halt milk production. The numbers of dairy cattle are accordingly still increasing; and as each cow is now giving more and more milk, the milk lake goes on growing bigger and bigger.

There is a very good reason why farmers are little interested in the existing grant scheme introduced by Brussels in the attempt to curb productive capacity. To qualify for grants they have to give up producing milk only for five years; but, at the end of this period, farms would have to spend a great deal of money if they wanted to resume production. To qualify for the grant they either have to dispose of their herds or switch over to meat production. Since most dairy farmers have no other means of earning a living, they naturally stick to milk production, which at least provides them with a regular livelihood, even if not a very luxurious one.

The obvious remedy is to bring in a sufficiently substantial increase in the size of the grant, and to make the way the scheme works more attractive. It would undoubtedly suffice if Brussels were to raise the grant, as some economists have already recommended, to two and a half times the present amount.

Extensive, but for that very reason effective, subsidies of this kind in return for giving up milk production would also be a very good thing for the taxpayer. If the grant rate for every kilo of milk not produced were raised from the present figure of only 2p to 5p the EEC would still save twice this amount on the current intervention costs for surplus production.

If grants at the new rate were wholly or partly paid out in the form of annual instalments, graduated according to size of herd, this would create a permanent source of income for the recipients without their having suddenly placed at their disposal large sums of money which they might then perhaps invest in other sectors of farming equally creative of production surpluses.

The radical remedy outlined here for excessive spending would, moreover, require only some modification of current EEC regulations, and would not entail heavy administrative expenses. The market in beef and veal would not have too much difficulty over coping with the extra supply of cows for slaughter which might be for the next few years a temporary consequence of the new grant rates. If necessary account could be taken of the special supply problems with which Italy is faced in milk production.

There are no realistic alternatives in sight to an effective system of bonuses, to be brought in under a crash programme capable of being subsequently expanded through longer-term measures. Reducing the producer's price for milk, or raising the so-called "co-responsibility levy", would not produce the desired braking effect for some years. And even then negotiations would still most likely be going on about the fixing of milk production quotas.

The balance sheet for this promising grant system can be summarized as follows. No compulsion would be exercised on farmers; they would be free to decide whether they wanted to accept grants or not in return for abandoning milk production. The end result for the taxpayer would be a saving of twice as much on intervention costs for surplus production as the farmers are paid in bonuses. Altogether, spending on the milk marketing policy could fall by at least half and perhaps by as much as £1,500m a year—enough to mitigate British difficulties over contributions to the Community and to ease the financial burden for other member countries.

It is natural that outsiders should ask themselves why it is that the bureaucrats in Brussels should not have come up long ago with an effective grant system if the solution is so simple, and if the right way has already been found in principle for draining the milk lake to an acceptable level. The answer is probably secretly stored away for the time being in the offices in Brussels. But it will only be a puzzle for anyone who is unaware of the multifarious absurdities of the EEC administration, and who believes that commonsense always finds the right answer in the end.

Josef Antony

The author is chief editor of the German publication Agra-Europe.

Journalists in Europe

The seventh Journalists in Europe seminar will be held from November 1 1980 to June 30 1981. Applications to attend must be submitted by February 1, 1980. Further information may be obtained from:

Journalistes en Europe
33 rue du Louvre,
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Tel. 508 86 71

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The course, which lasts eight months, takes the form of seminars in Paris and investigative studies in the various countries of the European Community. Course members prepare a monthly publication in English, French and German called *Europ.*

Applicants, who should be between 25 and 35 years old, should have appropriate professional experience and a thorough knowledge of English and French.

Scales tip against Europe

inued from page I

e debate on competitive- is extremely confused ise it is always unclear ier one is discussing the term or the long term, trial competitiveness or al competitiveness. Over period, for instance, nge rates have a pro- effect, but unless de- tion becomes a con- is process, as in the case e dollar, the changes that tend to be cancelled out two or three years so in the long term, struc- factors resume their true

in, to take the example itain, the loss of indus- competitiveness may be rice paid to maintain the titiveness of other sec- banking, insurance, prop- development and even lture). Within industry there can be very dif- situations in a single ; although British Ley- is confronted with the for drastic structural re- zation, British manufac- of motor accessories and have tended to strength- eir position over recent

the French Prime Minis- Raymond Barre, is wont to point out, there are no doomed industries, only companies or products ill-suited to the market. Moreover, in the age of multinational groups, the circumstances of a parent company may be very different from those of its main subsidiaries abroad, so that it is no longer possible to equate the competitiveness of a business with that of its country of origin.

It has also become difficult to judge how to assess a situation. For instance when a great French fashion designer with worldwide sales produces most of his "signed creations" outside France, should it be concluded that France is uncompetitive or should one reach the opposite concluson, given the scale of the profits?

Many international economists are formulating new concepts and developing new measuring instruments for such cases. In the meantime we have to make the best of those available to try to make some sense of what we *observe*: developments in wage costs, productivity and exchange *rates*—with the three combined in the notion of "relative unit wage costs calculated on the basis of a common currency"—or the alternative notion of unit wage costs calculated in United States dollars, as used in a recent Citibank report.

During the past eight years American wage costs have risen less than wage costs expressed in dollars in the countries with which the United States is in competition. *Even in the national currencies*, the increase in hourly wage *costs (including social* security contributions) in the *United States between 1970* and 1978 was lower than in all *the other industrialized countries* except Switzerland (87 *per cent in Switzerland, 98 per* cent in the United States, 137 *per cent in West Germany, 206* per cent in France and 250 per *cent in Britain).*

US: BIG FALL IN PRODUCTIVITY

The difference is all the greater when the figures are converted into dollars, since during this period the Deutsche mark has appreciated by 82 per cent against the dollar, the yen by 72 per cent and the French franc by *23 per cent.* Expressed in dollars, wage costs rose by only 90 per cent in the United States compared with 330 per cent in West Germany, 275 per cent in France, 180 per cent in Britain and 463 per cent in Japan. As a consequence, *hourly wage* costs in the United States, which were still the highest in the main industrialized countries in 1970, are now exceeded by those in The Netherlands (the highest of all), Sweden, Belgium, Switzerland and West Germany. Moreover, as everywhere else, regional disparities underlie the average American figures and wage costs in the southern states are now lower than in most European countries.

By contrast, the United States is much less well placed as far as productivity is concerned. Although all the industrialized countries have experienced a fall in productivity growth since 1973 or 1974, it has been more marked in the United States than elsewhere. The joint economic commission of the Congress expressed alarm on this subject in its mid-year report for 1979[7].

The American economist Edward F. Denison has written a book about it which is due to be published in the next few weeks by the Brookings Institution. According to his calculations, output per man hour in manufacturing industry in the United States, which was rising at an annual rate of 3.2 per cent from 1960 to 1973, advanced by only 1.7 per cent a year between 1973 and 1978 compared with 5.1 per cent in West Germany, 4.8 *per cent in France* and 3.5 per cent in Japan.

He sees the explanation for this fall largely in the loss of momentum in technology and its industrial applications, in the effects of increasing *government intervention, in fiscal* obstacles to investment, and in changes in the motivations of both workers and managers. This analysis of the trend is echoed by the Citibank report and by all the surveys carried *out by OECD experts.*

It should not be forgotten that in absolute terms American productivity is still higher than in the other industrialized countries. According to the Dresdner Bank, if the index of overall productivity is taken to be 100 in West Germany, *it is 78 in France,* 76 in Japan, 52 in Britain and as high as 128 in the United States.

However, according to the figures advanced by the joint economic commission of the Congress, were American productivity growth to remain so *slow in the future,* France and West Germany could equal the United States overall productivity within six years, and Japan and Canada would catch up a few years later.

However, the dollar's depreciation has been such that, coupled with the low rate of *increase in wages,* it has largely offset the slower productivity growth in the United States. Taking 1970 as the base year (=100), the index of relative unit wage costs in manufacturing industry, calculated by the OECD[3] *according to a* weighting taking account of *the* geographical distribution of American foreign trade, stood at about 65 by the end of 1978.

According to Citibank calculations, unit wage costs expressed in dollars rose by *only 54 per cent in the United* States between 1970 and 1978, as against 185 per cent in West Germany, 152 per cent in France, 264 per cent in Japan and 138 per cent in Britain. Only Canada's record is similar *to that of the United States.* Although the various sources do not produce exactly the same figures, they lead to the same conclusion[1]: that the competitive position of the United States has been improved considerably over the past eight years by the twofold influence *of moderate wage increases* and the fall in the value of the dollar.

This is undoubtedly one of the important consequences of the system of floating exchange rates and there is no *reason to suppose* that this phenomenon is going to come to an end. International big business has not got it wrong; American companies are reducing their rate of investment in Europe and often withdrawing altogether, while European companies are stepping up their industrial and financial *investment in the country* offering the biggest market in the world. Moreover, given the low wage costs and the high interest rates and capital costs in the United States, it is easy to understand how millions of *jobs have been created in the* American economy while Europe has been resorting to heavy investment in order to make savings on manpower.

JAPAN: WAGES RISE

Japan presents an entirely different case history, with sharply rising wage costs *expressed in yen and, until the* middle of 1978, massive rises *in the exchange value of the* currency. According to Citibank the increase in hourly wage costs expressed in dollars, at 436 per cent, is the *highest in all the industrialized* countries. At the same time *productivity growth in Japanese* industry, although still strong, has slackened considerably. In theory, therefore, Japan suffered the worst deterioration in its relative competitive position (+264 per cent) between *1970* and *1978* until the depreciation in its *currency's exchange rate* during late 1978 and 1979 reduced its handicap to a certain extent.

During this period Japanese exporters compressed their profit margins impressively, to the *extent* that the relative average value of manufactured exports, *calculated by the OECD* on the basis of a common currency[5], remained stable or increased by only about 5 to 10 per cent in seven years, despite the rising value of the yen. This is a quite exceptional achievement. Admittedly, Japan had the highest level of *profits* and *therefore enjoyed* considerable room for manoeuvre. In 1975-76, in manufacturing industry, profits as a gross proportion of value added[7], were 43.9 per cent in Japan compared with 26.3 per *cent in the United States,* 26.9 per cent in West Germany and only 19.4 per cent in Britain.

Japan also leads in the level of use of industrial productive capacity, with 92.1 per cent in *the first quarter of 1979, compared with 86 per cent in the* United States, 84.3 per cent in France and 82.6 per cent in West Germany[10]. Moreover, it has pursued a systematic policy of getting out of labour-intensive products and into *advanced-technology*.

Finally, Japan is the country with the highest level of investment, so that it is able not only to counteract rising wage costs[7], but also to achieve larger profit margins and restore *eroded margins* on products subject to greater competition. *The Japanese have thus* been able to continue to increase their market share in the United States. Behind the figures and statistics we find the whole strategy of industrial redeployment and techno*logical advance of the Japan*ese economy.

From 1970 to 1978 Europe's competitive position deteriorated slightly as a result of price and wage inflation or currency appreciation. On the criterion of relative unit wage costs, Britain, The Nether*lands, Switzerland* and all the Scandinavian countries lost *ground. But, here again, other* factors come into play: it would seem that the Swiss, like the Japanese, have compressed margins to hold export prices despite the rising exchange value of their cur*rency and, rejecting* the easy solution of unrestricted re*cruitment of foreign labour,* they, too, have redeployed productive capacity, moving into advanced-technology industries.

West Germany, which had been poorly placed until 1973, has since improved its competitive position considerably by wage moderation and intensive efforts to increase productivity. According to Edward *Denison[1], output per man hour* is rising more quickly in West Germany than in most competing countries and, moreover, since 1978 there has been much greater wage stability than elsewhere. As a result *unit labour costs expressed in* Deutsche marks rose by only 2 *per cent in nearly 18 months* between the first quarter of 1978 and the second quarter of 1979, during which period productivity improved by 5.5 per cent. Admittedly, in *1977* and still during 1978, there was *more idle productive capacity* than in competing countries[4], so that productivity was favoured by the recovery.

Above all, like Japan and to a lesser extent Switzerland, West Germany was ahead of the field in reorienting production, abandoning heavily *labour-intensive* industries and attacking the "new" markets. *By 1975 it had already brought* its trade with the Opec countries back into balance. As M Gérard Tardy observes[4]: "German manufacturing industry has lost one million jobs since 1974. This is neither an econo*mic nor a social achievement.* It must be acknowledged, however, that during the same period German industry has stepped up its research and development effort substantially (West Germany alone now *accounts for 37 per cent of the* EEC's total research and development spending, compared *with 30 per cent in 1967)* and that industrial plant and equipment has been greatly rationalized and modernized (deliveries of machine-tools over the past two years are up 24 per cent in West Germany, *down 35 per cent in France*)."

In general terms, according *to this analysis, two EEC coun*tries—West Germany and The Netherlands—have adapted by compressing costs and rapidly cutting industrial jobs. This *has allowed them to achieve a* sharp increase in industrial *exports and their success has* been enhanced by the appreciation in their currencies. Others, such as Britain and Italy, have suffered some *deterioration in their competi*tive positions while France and *Belgium occupy the middle* ground.

PRESSURES FROM NEWCOMERS

The "newly industrializing countries", as the experts have designated them, at *present number four European* countries in the Mediterranean area (Spain, Portugal, Greece, Yugoslavia), two Latin American countries (Brazil, Mexico) and four South-east Asian countries (Hongkong, South Korea, Taiwan and Singapore). The list could change rapidly. *In the meantime, the share of* worldwide exports of manufactured goods accounted for by these 10 countries is increasing sharply, having risen from 2.6 per cent in 1963 to 7.1 per cent in 1976.[3] They owe this to *exceptionally* low wage costs.

As reported in the Interfu*tures survey*[1], *wage rates* for comparable jobs are four to 12 times higher in the United States and West Germany than in Mexico or Hongkong and the multiple is even greater in the case of social security con*tributions. However, wages are* rising rapidly in the new industrial countries as well; between 1973 and 1976, unit wage costs in manufacturing *industry adjusted for actual* exchange rate fluctuations' in*creased* by 16 per cent in Greece, 15 per cent in Brazil and 19 per cent in Taiwan, compared with an average of 9.8 per cent in the OECD area. These *countries are therefore* at risk of being displaced by others during the years ahead unless they pursue a policy at international level aimed at maintaining their advantage with the implicit assent of the *established industrialized coun*tries.

Not only are wages rising, but international agreements (such as multifibre agreement in particular) have limited exportable quantities, thereby encouraging *these countries* to look for high prices and added *values, so that they have aimed* for the upper end of the market at an earlier stage than expected and this has added further complications to Britain's own problems of industrial and technological redep*loyment.*

In the presence of such pressures and problems, European diffidence towards the adoption of a more concerted approach is mystifying. Not only are present developments widening the gulf within Europe, even since the estab*lishment of the European* monetary system, but at the same time no one seems greatly inclined even to make a joint appraisal of the issues—industrial, commercial and technological options—*which will determine the* economic future of our con*tinent, let alone the question* of the type of society (in terms of its social and cultural characteristics) that we should be seeking to build in Europe.

	Exchange rate movement against US $ 70-78 (1)	Hourly compensation in US $ 1978 (1)	Per cent rise in hourly compensation 1970-78 US $ (1)	Per cent rise in unit labour costs 1970-78 US $ (1)	Relative unit labour costs 1970=100 (2) 1977	Relative average value of manufactured exports 1970=100 (2) 1977	Output per hour in manufacturing. Average growth rate 73-77 (3)
Belgium	+58%	10.80	366	167	107.6	100.1	6.6%
Britain	−20%	4.55	180	138	93.4	97.2	−0.2%
Denmark	−36%	9.40	263	138	94.6	106.1	5.2%
France	+23%	7.69	275	152	95.8	100.0	4.3%
West Germany	+82%	9.90	330	185	110.5	102.4	5.5%
Italy	−26%	6.71	222	127	94.3	89.6	2.4%
The Netherlands	+67%	11.44	364	159	110.2	112.7	4.9%
Sweden	+15%	11.43	244	165	113.3	115.7	0.5%
Switzerland	+143%	10.32	354	243	119.0	114.6	—
United States	—	9.43	90	54	73.9	88.7	1.5%
Japan	+72%	5.94	436	264	145.3	105.4	2.4%

(1) *Monthly Economic Letter, August 1979. Citibank.*
(2) *OECD. Perspectives économiques. Etudes speciales. July 1978.*
(3) *Edward F. Denison. Survey of current business. August 1979.*

(1) *Facing The Future*, OECD, 1979.
(2) The OECD includes 10 countries in this classification: Spain, Portugal, Greece, Yugoslavia, Brazil, Mexico, Hongkong, South Korea, Taiwan and Singapore.
(3) *The impact of the newly industrializing countries on production and trade in manufactures*, OECD, 1979.
(4) Eleventh European Colloquy on Prospection organized by the International Association of Futuribles at Arc-et-Senans. *Gérard Tardy: L'industrie en Europe: Les Divergences s'accentuent.*
(5) *Economic Outlook, Occasional Studies,* July, 1978, OECD.
(6) Monthly economic letter, August, 1979, Citibank.
(7) See article by Michel Tatu in *Le Monde, September* 18, 1979.
(8) *Accounting for slower economic growth: the United States in the* 1970s, Brookings Institution. The main points are summarized in an article entitled *Explanations of declining productivity growth* in the August, 1979, *Survey of Current Business.*
(9) *Profits and Rates of Return*, OECD, 1979.
(10) *OECD Economic Outlook* No. 25, July, 1979.

A meticulous guide for managers

European Management in *Geneva* has com- a survey on the com- *eness of European in-* compared with the rest world and is publishing esuits early this month. port will be used as a nce document at the to be held in Davos January 31 to February 8 year on the theme of *ational cooperation, pro-* ity and social commit-

d on 200 criteria, 10,000 ical data and three sur- it reaches an overall ication in which West ny and Switzerland come n top. They are followed *group of eight countries* are fairly close together ce, Sweden, Britain, Bel- The Netherlands, Luxem- Denmark and Austria). further behind are Fin- Norway, Italy, Spain and d, while Greece and Por- bring up the rear. *vage costs were the only* on, Greece and Portugal be the most competitive ies in Europe, but pro- ity must also be taken ccount. Even apart from technical factors which *iportant in industrial life,* others have to be consi- *when comparing the* ng of various countries ernational trade. Some of are susceptible to statist- neasurement, but others matter of subjective ment—which does not *that they are less impor-*

order to broaden its ach to the subject, the ean Management Forum ed 10 main criteria for ment and classification: ynamism of the economy, rial efficiency and *ction costs, the dynamic* e market, financial dyna- manpower resources, the f government, the quality frastructures, the exis- of an outward-looking de, the existence of a for- *looking attitude* and, y, political and social sta-

se criteria, themselves n down into 200 classifi- considerations, were lished in the case of each ry on the *basis* of national statistics, if these were available. When statistics were not available, surveys *were carried out: three ques*tionnaires, with 27, 24 and 41 questions, respectively, were sent to enterprises in the 16 countries studied (to different hierarchical levels depending on the subject) and, of the 970 sets sent out, 280 were completed in full and used as the *basis for processing the overall* data.

Assessment of the role of these various criteria raises *many problems of interpre*tation. To take the most difficult—the role of government—as an example, we find precise data on public spending and its development, the size of the public sector and so on, with a *rating of between one and five* for the government's propensity to intervene and the types of intervention preferred. But is government intervention a positive or negative factor in national competitiveness?

In this report it is accepted that the government has a decisive positive role to play in a modern economy, but that in *order to do so it should* observe certain rules, such as *refraining* from unwarranted competition with the private sector, and trying to give companies as much regional and local autonomy as possible. Switzerland, with its federal and cantonal system and its *practice of minimal interven*tion, seems well placed in this respect, although the Government's role is increasing. On the other hand, the limited extent of government intervention in countries such as Spain and Portugal does not *seem to be a* particularly positive factor.

Other criteria which seem subjective, such as the dynamism of the economy or the political and social consensus, are often much easier to measure and interpret on the basis of statistical series.

The conclusions drawn *from* this meticulous research are of *the greatest interest* to business managers and industrial policy planners. It is confirmed, for instance, that although they have the highest wage costs in Europe, West Germany and Switzerland are *the most competitive with the* rest of the world. With the *advantage of lower inflation* rates than their neighbours, *they have rationalized produc*tion to the maximum extent and made the best use of their traditional strengths—notably their marketing flair, the quality of their products, and their ability to deliver on time and to provide satisfactory after-sales service. Above all, *their achievements have been* made possible by the dynamism of their financial systems, their outward-looking approach, and their readiness to look to the future—combined with political and social stability.

France, which leads the mid*dle-ranking group, is given sat*isfactory ratings for nearly all *the criteria except the dyna*mism of its market, which seems to be wanting, and political and social agreement and stability. Its productivity is best and its production costs are lowest. The overall picture *to emerge is one of a country* heavily committed to modernization and structural reorganization, which can play an important role, but suffers from a lack of commercialism.

Britain is in a similar position, with fairly satisfactory production costs and producti*vity, and good ratings for its* outward-looking attitude and financial dynamism, but it is handicapped, like France, by the insufficient dynamism in its market and a lack of political and social agreement. Its manpower resources, too, are not very good.

Italy's rather disappointing ranking reflects insufficient industrial growth and profitability, poor quality of manpower, and overbearing government intervention in economic life. Italy's assets appear to be the *outward-looking approach* of its businessmen and their willingness to look to the future. Italian industry seems to have difficulty in adapting to its national limitations.

Countries such as Greece and Portugal (and to a lesser extent Spain) will need to make a *great effort if they are* to integrate successfully with the European industrial community.

Jacqueline Grapin

Increased investment keeps Japanese industry competitive

four years, because of the rice rise, most Japanese stries were forced to mark but they are now once engaged in outrivalling another in the *volume of* investments. Mr Masa- *Okuma, vice-president of* n-Motor, one of the pace- rs in investment, main- : "We can survive only if levelop and introduce new s of technology at the time".

e motor industry has a lead over all other sec- with important investment rammes. It is now spend- large sums on research to *d being left* behind in the to get into the market for small-car models. Mr hito Eguchi, the spokes- for Nissan, which has a -making new model in l, feels that "today it is so much a question of e as of such salient factors *p-to-date technology*, saving fuel consumption and the use of electronic components".

Both the giants, Toyota and Nissan, are prepared to spend a great deal of money on the development of new processes. Mr Shigenobu Yamamoto, vice-president of Toyota, says that his company will be spending 40 per cent more on research in the second half of this year than over the comparable period last year. Nissan will be *spending* as much as 60 per cent more and other companies in *this sector* have also budgeted for an additional outlay on a comparable scale. *Honda* is working hard to develop an engine driven by a "*gasohol*" mix of 90 per cent petrol and 10 per cent alcohol.

The Bank of Japan and three of the leading *commer*cial banks supplying long-term credit *recently produced* survey reports on investment *plans* in Japanese industry. All agreed, with minor divergencies, that for the current financial year (April to March) capital investment by private industry will rise by an average of 12 per cent. The percentage increase for *manu*facturing industries is esti*mated* at as much as 20 per cent, and in the others at just *under* 10 per cent (49.6 per cent of all industries). Only 16.5 per cent of industries will *be spending less on investment* than before.

Growing home demand, good earnings performances by companies and fears of future cost increases are the main reasons for this improved climate for *investment. The reports list* a whole series of projects: cutting back on the workforce because of wage increases, research and development, reduced energy consumption, rationalization, renovation and, not least, replacement of old plant.

In a number of *instances* investment is intended to expand productive *capacity. especially* in the motor, newsprint, phar*maceuticals, non-ferrous metals* and semi-conductor industries. But many firms have been put off by the rapid rise of real estate prices in Japan.

The minority of enterprises which are investing less than in the previous year belong mostly to sectors such as shipbuilding or aluminium processing which are still suffering from overcapacity. *Expansion* plans in a number of sectors *have* had to be contracted because of the slowing-down of growth rates—annual growth rates have declined on average from 10 per cent to 5 per cent—as a result of the 1973 energy crisis.

But the primary aim of Japanese industry continues to be *the development of new* technologies so that it can compete with the world's major industrial undertakings and hold on to its position. Japanese technologists attribute a large part of the economic growth achieved in the stormy 1950s and 1960s to *technological innovations.* Japan's attainment of economic superpower status came about only because its performance in the investment race was five times as effective as that of the United States.

There is *no* doubt that the part played by technological innovations in Japan's economic growth has been much greater than for other highly developed nations. At the same time, the island empire has *made extensive use of other* countries' knowledge through a *system of licensing agreements,* instead of setting out on the costly and *time-consuming* path of developing new technologies *on its own.*

Since 1974, however, the amount of technological knowledge imported from abroad has been falling off. The reasons are: Japan has now caught up with the rest in the level of technology, *there* are fewer innovations in other *parts of the world that are* worth importing, and the *Japanese have made great* progress in their own research. This also means, of course, that the days of cheap foreign technology transfers are over, and that in future more money, effort and time will *have to be spent if Japan is to* maintain and expand its strong competitive position.

Among the sectors with important investment programmes the motor manufacturing industry, as has been said, has a clear lead over the others; expenditure on investment projects for the current financial year will go up to 35.3 *per cent. Other sectors* with plans for large-scale invest*ment projects are* textiles (+28.2 per cent), heavy constructional engineering (+27 per cent), the metal industry (+26.3 per cent), the paper and pulp industry (+22.8 per cent), and electrical engineering (+19.2 per cent).

The electronics industry, *which is among the most pro*mising and efficient industries *in the country,* is a typical example of the successful application of the latest in technological advance to highly competitive products. By combining a number of up-to-date technologies, manufacturers of domestic electronic appliances have managed to reduce *production time to such an* extent that it is now more *profitable* to produce these goods in large-scale highly *rationalized factories in Japan* itself than to operate production units in cheap-labour countries such as South Korea and Taiwan. Despite wage increases, manufacturing costs for colour television sets, for *example, are now a good third* lower than they were 10 years ago.

In the tertiary sector the branches with the biggest investment programmes for the present financial year are the forwarding and communications industries, each with a budget *increase* of 39.5 per cent, supermarkets (+27.9 per *cent), building* (+25.8 per cent), and retail trade (+18.3 per cent).

For the current financial year Japanese private enterprise will be spending about £20,000m on capital investment. About two thirds of this will be self-financed, since *many undertakings which have* been holding back on capital *investment in recent years, are* in a strong financial position. The remainder will be found through bond and note issues, new share issues and bank loans. Liquidity in the Japanese money and capital market is still fairly high.

Fred de la Trobe

EUROPA

'Red capitalist' to the rescue in Bavaria

Investment by German companies in Yugoslav firms and the establishment of joint ventures by German firms with Yugoslav partners have already become almost a matter of course. The most prominent groups, which have had Yugoslav interests for many years, include Daimler-Benz and Volkswagen, the capital goods manufacturer Klöckner-Humboldt-Deutz, the huge chemical firm Bayer, and the Reemtsma tobacco concern. Since the Yugoslav Gorenje group rescued the German firm of Körting such cooperation is no longer one way. How is Körting faring these days?

Mr Oskar Pistor is a Yugoslav—the press call him the "red capitalist"—who is managing director of the Körting factory at Grassau in Bavaria, near the Chiemsee. In the middle of last year the firm went into liquidation. Mr Pistor is highly regarded in this town of 7,000 inhabitants, for during the past 12 months or so he has pulled off the seemingly hopeless task of rescuing what is by far its largest *industry from going under for* good.

Today Körting is once more in full production, with a workforce of 1,100 Germans from the Chiemsee area, mostly from Grassau itself, and 200 Yugoslavs engaged by Mr Pistor as *Gastarbeiter*. The company, which specializes in colour television and hi-fi sets, has been renamed Gorenje-Körting and is part of the Yugoslav Gorenje group based on Velenje in Slovenia.

Mr Pistor's influence in the Gorenje group is considerable. Before his rescue of Körting he was for many years in *Munich as head of the group's* German sales branch. And a very successful head, too: the value of Gorenje sales to West Germany from Yugoslavia soon reached DM120m.

It was Mr Pistor again who convinced Mr Ivan Atelsek, Gorenje's chief executive, that the acquisition of Körting was a sound propostion. The final decision was taken quickly and without red tape. Mr Atelsek broke the good news in person to the 800 still on the Körting payroll at the time. Calling them all together in a large workshop at the factory, he made them this confident promise: "You will never again find yourselves in the situation you were in before." In other words, as part of the Gorenje group, Gorenje-Körting would never be faced with bankruptcy.

From all the signs, Mr Atelsek should be able to keep his promise. Mr Pistor is a top-grade managing director. His knowledge of the German market stands him in good stead, and he runs Gorenje-Körting like a capitalist enterprise. He knows that Körting products will only do well in the West if the customer really wants to buy them, so he goes in for consumer advertising. He also realizes that he must win acceptance by the trade if he is to enjoy long-term success, and for this reason the firm's marketing strategy has been turned upside down.

The old-style Körting was tied, for better or for worse, to a single customer in West Germany, the house of Neckermann, which concentrates almost entirely on mail-order catalogue business, whereas the new-style Körting is concerned with settled radio and television retail outlets only. Mr Pistor prefers to deal with a number of small customers, even if none of them buys more than DM20,000 worth of sets from him in the course of the year. His creed is: "Körting must never again be dependent on a single customer for its German sales."

It was only because Neckermann did not have exclusive rights in the Körting marque as regards sales in other countries that the stage was half-set for a business recovery after liquidation. At present, exports to Switzerland and Austria and a number of markets in the Middle East account for nearly three-quarters of Gorenje's production.

Has Mr Pistor also turned his staffing arrangements upside down? Have deserving Communists been given managerial posts? Our asking this question annoys the bearded Yugoslav, a man prone to strong feelings. At this point Herr Heinz Dettinger, the new German home sales manager specially brought in by Mr Pistor to assist him, happens to come into the somewhat sparsely furnished office of the managing director. Herr Dettinger has 30 years' experience of the German market in leisure electronics; his last position was with AEG-Telefunken, one of the leading suppliers of television, radio and hi-fi sets.

"I came here", he tells us, "because I have faith in Mr Pistor and Gorenje-Körting."

Herr Dettinger is confident that a break into the German market can be achieved. Other executive posts are also held by Germans. The marketing director, Herr Bernhard Zumkeller, and the research and development director Herr Waldemar Moortgat, came out best as a result of Körting's liquidation. Herr Zumkeller feels certain that he would have lost his executive position long ago, had the firm been rescued by a Western concern.

Not that the risk of this was ever very great. One after the other, all the substantial West German, American and Japanese concerns that were approached turned down the opportunity after a brief look at Körting's prospects. The reason was that they felt there was nothing left to rescue. Grassau resigned itself to a disastrously high rate of unemployment.

Mr Pistor has changed all that. This year he will be producing 170,000 colour television and 35,000 hi-fi sets, representing a total turnover of DM200m. His motto is "Small but select". A newly-developed series of colour television and hi-fi sets is already catching on well in the trade.

But how does Gorenje-Körting stand in regard to earnings? What attitude does Mr Pistor, himself someone from communist Yugoslavia, have towards profits? This question too makes him angry, and his accent becomes noticeable (the language of ordinary conversation with his secretary is Serbo-Croat). "Naturally", he burst out, "Gorenje expects Körting to make a profit. Gorenje itself makes a profit, after all."

Gorenje-Körting is not making a profit as yet. Mr Pistor becomes calmer as he takes up the subject: "But neither are we still making a loss", he assures us. They are working at about break-even point. The Gorenje parent company is prepared to allow its subsidiary, Gorenje-Körting plenty of time before it collects any profits from Grassau. The German company is expected to grow and prosper first.

Gorenje is what would be called in the West a multi-*national group. Its takeover of* Körting merely added one more Western company to its international structure; there were already production units belonging to the group in Austria, Greece, Denmark, and Nigeria. Gorenje's consolidated turnover last year, with *a workforce of 18,206, came to* DM 1,700m.

Mr Pistor is far from reluctant to publicize what he is doing. His company aim is a 2 per cent to 3 per cent share of the West German market. He wants no more than that, and he knows why.

No *small-scale manufacturer* can any longer cover the costs of turning out black-and-white television sets in a high-wage country such as West Germany. Will production of colour sets go the same way? Mr Pistor is guarding against the possibility. He intends to place more language laboratory equipment on the market, and already has something else up his sleeve. This summer Gorenje-Körting acquired the Schomandl company of Munich, specializing in high-grade measuring instruments. Production is being transferred, in true capitalist style, *from Munich to Grassau, as* Mr Pistor feels this is the best solution from the economic point of view.

Werner Jaspert

EUROPA

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NDERPRODUCTIVE AND VERLOADED

us could reasonably expect ıffected by the troubles of Soviet economy so cally described at last meeting of the Supreme A country falling so far of expectations should be giving serious thought hange of leadership. a re- f the system itself, cuts in e spending, a review of ıs commitments, and new ches to the security of n Europe, where frustra- end to be more explosively sed than in the Soviet Yet the Soviet system to have an almost in- capacity for surviving its ilures and continuing on set course, its automatic gnoring turbulence that upset a human hand. It ply not designed to pro- hange.

its troubles now reached t where this assumption be revised? Not yet, but esses seem to be increas- blic criticism of economic nance is, of course, noth- v. Soviet leaders normally their recitation of ıs with stern words about mings, the need to do bet- d the guilt of certain defined scapegoats. This however, the triumphs ewer and the criticism

rding to Mr Baibakov, an of the State Planning ttee, the Soviet Union has eriously behind its targets current five-year plan, has only another year to viet figures put estimated this year at 3.6 per cent ed with a target of 5.7 per Western estimates, based stern methods of calcu- put it below 2 per cent. o one disputes is that the wn is being increasingly the population. Mr Brezh- as remarkably frank in ing the shortages of meat er foods, milk, toothpaste, g powder, nappies, and er goods in general.

harvests are partly to blame. Last winter was particularly harsh, and since agriculture employs about a third of the workforce and generates a fifth of the national income its performance is felt throughout the economy. But the weather is not entirely to blame. If the enormous investments poured into agriculture over the past decade had been properly used they would have provided more protection against bad weather in the form of better storage facilities and better machines. As it is, the Soviet Union is expected to import 30-35 million tons of grain this year, and the same again next year, yet even this will not be enough to prevent the slaughtering of livestock for lack of feed.

Mr Brezhnev's greatest worries are the shortage of energy and chaos on the railways which cripples the entire distribution system. This is partly a result of the economy becoming increasingly complex, but more significantly it is the result of raw materials having to be extracted from more and more remote places, far away from industrial centres. This is gradually becoming the central problem of Soviet development and there is no quick solution in sight in spite of rapid building of pipelines and a new railway line to the east. The significance of this for the rest of the world is that if the Soviet Union cannot extract its own raw materials and fuels quickly enough to meet its own needs and those of Eastern Europe it will gradually compete more for these commodities on world markets. Hence the nightmare of an East-West war over Middle East oil.

But there is another more immediate complex of problems. The Soviet Union earns about half its hard currency from the export of oil to the West. At the same time it is going to have to spend about a third of the total on importing grain. If its oil production is inadequate it will either lack the currency to buy grain or it will divert more oil away from Eastern Europe, which is already being asked to spend more than it can afford of its own hard currency on supplementary imports of oil from hard currency areas. Either of these solutions could cause stress.

If something has to give somewhere the most obvious candidate is the defence budget. Mr Baibakov announced a cut of 100m roubles (£71m) to a total of 17,100m, but nobody any longer believes the official figures for the simple reason that the men and weapons now known to exist could not be bought with the money ostensibly earmarked for them. The CIA estimates that defence spending is in fact rising by about 4-5 per cent a year and will continue to do so at least until 1985. If this is true it will take a steadily higher proportion of gnp, putting still greater stress on the economy. Yet Western experts who put a hypothetical freeze of defence spending through their computers come to the conclusion that it would improve economic growth by as little as 0.1 per cent.

If this is so there can be little incentive to make any but the most dramatic cuts, and of these there is no sign. Moreover, while common sense suggests that some reallocation of investment would in fact benefit non-military sectors of the economy, the nature of the Soviet system and the mentality of its leaders are such that significant cuts are very difficult to bring about. No matter how threatening the Soviet Union may look from outside, the Russians are still prisoners of their historical obsession with vulnerability. It would therefore be wrong at this stage to assume that economic pressures are going to provide anything but a modest incentive to curb military spending. The Soviet economy, after sixty two years of socialism—and thirty four years of peace—is underproductive and overloaded and is likely to remain so.

EW DIRECTION IN PORTUGAL

sults of Sunday's general ı look like giving Portugal ing that it has not had in rbulent years since its ion in 1974—a government by a majority in Parlia- he Democratic Alliance, a ight coalition, appears to have a majority once al figures are in, and Francisco Sá Carneiro, its to be appointed Prime r. They will not have an sk, with inflation running t 25 per cent, unemploy- t 13 per cent and some- ike a peasants' revolt in ntejo. But they were quite n the election campaign their aim of setting the ese economy on a new, ialist basis; and Sunday's as a clear mandate from torate. There is obviously ead disenchantment with re or less leftist trend of since 1974, whether of or civilian governments, hope that the Democratic e can do better.

main loser in the election e Socialist Party, headed hor Mario Soares, the Prime Minister. The ts were weakened by ies of their time in office as a minority government, when they made an alliance with the Christian Democratic Party. They were also squeezed from both ends of the political spectrum, losing votes on their right to the Democratic Alliance and on their left to the Communist Party. The communists, an orthodox pro-Moscow party, increased their vote, and can be expected to play an important role, at least partly because of their control of the trade unions. There is, in fact, possibilities of a confrontation when the new government sets about reversing some of the decisions of the past five years—the nationalization of industries and banks, for instance, and the collectivization of land—if the socialists and communists decide to go into all-out opposition. The land issue is an especially sensitive one, because the process of handing land back to former owners, and abolishing the collectives set up after 1974, is already under way, and has led to armed clashes between peasants and the national guard, with two deaths last September.

The Democratic Alliance has spoken in general terms of reducing the role of the state in the economy and of giving greater scope to the private sector, but it still has to be seen how far it will go. Its scope is limited, in the short term, at least, by the fact that there has to be another election in a matter of months, next autumn; and the expectation is that some of its more controversial proposals, such as the revision of the constitution, will have to wait until after that. It is likely that Senhor Sá Carneiro himself will want to exercise close personal control of government policy. But his party, the Social Democratic Party, is only one constituent part of the Democratic Alliance, though the largest one, and he will have to show that he can work well with the other members, particularly the Christian Democratic Party, headed by Dr Diego Freitas do Amaral. He will also have to come to some sort of working relationship with President Antonio Eanes, who gave more or less open support to the Socialists in the election campaign and has been strongly attacked for it by Senhor Sá Carneiro. Portuguese politics is never easy, but the electorate has set a new direction, and the government will follow it.

g the Grange

Ir A. R. Dufty and others

he Grange, Northington, ire (November 29), designed iam Wilkins in 1804 around ly house and in a highly ic setting, is perhaps the portant in England, and the in Europe, in the neo- l style. In recent years it l a sad history. Physically it such a poor state that the planned to demolish it. It roofless and continues to rate.

impressive exhibition of neo- sm at the Royal Academy in owever, provided the stimu- a better understanding and ation of the remains and in ey were taken into guardian- the Secretary of State for vironment. Being a building co-faced brickwork immedi- servation was essential, but by way of first-aid repairs rotection was then put in nor has it been since, with ult that the house is now in us state. The estimated cost olidation alone has escalated ,000.

t from the importance of the in the history of taste, it is ly great neo-Classical house nation's guardianship. Now, r, despite the recommend- of the Ancient Monuments to both Mr Heseltine and to edecessor as Secretary of Mr Shore, that it be pre- we are informed that its is being reconsidered with ossibilities in mind: first, to e all that remains; secondly, bilise the great Classical only and to demolish the hirdly, to leave the building down; fourthly, to demolish ole.

ur considered view the only decision is to adopt the ption, and for these reasons: ding of the importance we utlined above should be pre- and it will then remain ble for external viewing for ioyment and edification of blic, and it would be quite per, if not illegal, for the ment to divest itself of all responsibility at this stage for a monument which it has allowed seriously to deteriorate while in guardianship. The Department has itself been highly critical of local authorities who have neglected listed buildings in their care!

The Grange is unique; it is the one European example of the classical temple design adapted to domestic purpose; it is the earliest thoroughgoing essay in the revived Greek style. Thus it is an architectural landmark. Moreover, the building has immense gravity and pathos. Here indeed is a monument of international significance.

The cost of preservation now is indeed high: it would have been much less in 1975; it will be more in the future. We trust that the Secretary of State will follow the advice of his own advisers on the Ancient Monuments Board without further delay.

Yours faithfully,
A. R. DUFTY,
President, Society of Antiquaries.
HUGH CASSON,
President, Royal Academy of Arts.
J. D. EVANS,
President, Council for British Archaeology.
Burlington House,
Piccadilly, W1.
November 28.

Assisted places scheme

From Mr Raymond W. Baldwin

Sir, It would be hard to compress more misunderstanding and prejudice into a short letter than does Mr Phillips in his attack (November 22) on the proposed Assisted Places Scheme.

The numbers of pupils involved are close to those in the former Direct Grant scheme, which had operated with great success for over 30 years. In the days of selective maintained schools there were few protests about creaming; the maintained grammar schools coexisted happily and obtained excellent results, as those remaining still do. If creaming by the ex-DG schools is now so feared where comprehensives have taken over, the reason and the remedy is obvious.

Where comprehensives are doing well, few if any parents will be prepared to pay fees (the scheme is only to assist with fees, not pay the whole except to parents with very low incomes). It is only where the comprehensives are not offering the best chance to the brightest pupils that parents will wish to take advantage of the scheme. Children only live once, and the chances they miss in their teens are irrecoverable. Some comprehensives get few A levels, and those in low grades; such schools cannot possibly offer opportunities comparable to those in schools with strong sixth forms and all the mutual stimulus they provide.

As for "government money going to the already privileged private sector while teaching resources for comprehensives are being cut back", the facts in Greater Manchester are the very reverse. The ex-DG schools which may go into the scheme enjoy no privileges of any kind, and cost less to run than the state schools. The average fees they charge to independent pupils (ie, not subsidized by any public money) are below the average cost of maintained secondary education per head for 11-18 pupils as calculated by the DES for the purpose of inter-authority payments.

Yours faithfully,
RAYMOND W. BALDWIN,
Chairman of Governors,
Manchester Grammar School,
Penn,
Alderley Edge,
Cheshire.

A sorry pass

From Mr Max Hastings

Sir, Dr A. J. Norris's doubts about how best to apologise to another motorist for one's own driving error (Letters, November 30) are shared by most of us.

I have always hankered after an illuminable sign above the rear numberplate, controlled by a three-position switch on the dashboard, to signal "Sorry", "Thank you", and "2 Samuel xvi 7".

Yours faithfully,
MAX HASTINGS,
47 Shoe Lane, EC4.

LETTERS TO THE EDITOR

Britain's stance at the Dublin summit

From Professor D. C. Watt

Sir, As long ago as 1929 that once-High Tory, Lord Robert Cecil, said that the difficulty of negotiating with the Americans was their habit of coming to the table with a position so carefully spelt out to the press in advance that any derogation from it would be regarded as a defeat. Is it too much to hope—after their debacle in Dublin—that the Prime Minister and the Foreign Secretary will now have learnt that the All Blacks-style haka they allowed their public relations spokesmen to indulge in before the British press these last three weeks on the topic of British payments to the Community budget is the worst way of getting concessions from one's associates known to man. Even if it succeeds once, it makes future success the less likely. No democratically elected statesmen today can afford to lose in such "tougher than thou" exercises.

To say this does not imply for a moment acceptance of the position taken by our EEC partners at Dublin. It is just to point out that a successful outcome to such negotiations depends not on impressing the British electorate, but not antagonizing the electorates or weakening the position of the governments with whom one is negotiating. But then I am sure the Foreign and Commonwealth Office professionals will be urging this on the Cabinet too.

Yours sincerely,
D. C. WATT,
Professor of International History,
The London School of Economics and Political Science,
Houghton Street, WC2.
November 30.

From Mr Paul Bareau

Sir, In the continuing campaign for a reduction in the UK contribution to the EEC budget, less should be heard of the argument that we are, comparatively, a poor country. There is an all too easy and shaming rejoinder to that plea: "If, in spite of the bounties of North Sea oil and gas, you are poor, whose fault is that?"

The attack must be on the formula used to determine member countries' contributions and on the agricultural policy which that formula uses. The common agricultural policy is the one element of economic nonsense in the affairs of the EEC. It guarantees prices designed to make life tolerable for the inefficient farmers and calculated, therefore, to stimulate production and profits for the efficient. It then protects these prices from imports of cheaper food by the variable levies which constitute 100 per cent protection for EEC producers. This total protection flouts the spirit of the Treaty of Rome, the preamble to which dedicates the Community "to the progressive abolition of restrictions on international trade". The prices, so fixed and protected, are high enough to discourage consumption.

All the conditions are thus satisfied for creating the surpluses, the "mountains and lakes" which cannot be sold to EEC customers (that would infringe the common market) but must be disposed of to Russia and other non-EEC countries at give away prices. Alternatively as in the case of milk, they are converted into cattle food which will help to produce still more milk and so on and so on.

The UK with its free trade, cheap food tradition and the inheritance of a structure of international trade based on that tradition, is the main EEC importer of foodstuffs from non-EEC countries. It is, therefore, the biggest collector of import duties and levies. By virtue of the EEC budget formula it becomes the largest contributor. The implications of this should have been apparent to the Conservative negotiators and the Labour renogotiators of our terms of entry. They were lulled into acquiescense by the temptations of the transitional provisions which cushioned the immediate blows.

The best cure would be a fundamental recasting of the CAP, perhaps on terms akin to the UK's pre-EEC deficiency payments scheme which combined reasonable prices for farmers and cheap food for consumers (at the expense of the taxpayers). Now that voices in the EEC Commission have been heard to predict that an unamended CAP could bankrupt the Community (it gobbles up 70 per cent of the budget) there is some hope of a basic review and amendment.

If that is asking too much on the part of a latecomer (alas the wisdom and foresight to be a founder member were lacking), then the present budget formula should be discarded for something less arbitrary and less inequitable. Why not a simple allocation of budget contributions in proportion to national incomes?

But, please, no more appeals for the rights and deserts of "the poor and needy".

Yours, etc,
PAUL BAREAU,
Reform Club,
Pall Mall, SW1.
December 3.

Increasing fees to overseas students

From Professor Antony Flew

Sir, You have published two or three letters from groups of correspondents arguing against the Government's insistence that universities should demand uncompetitively high fees to overseas students. Because of the mixed political composition of these groups, and because they have come from particularly distinguished institutions, these correspondents have been understandably reluctant to emphasize two remarkable points.

First, the general idea of trying to save by soaking the foreigners has been very much a socialist tradition: it was, it may be remembered, first enforced by Mr C. A. R. Crosland in the sixties. Presumably Mr Mark Carlisle's civil servants had plans for these further moves in the same direction ready to hand when he asked them to suggest some cuts. Second, because it is in general the academically strongest institutions which have been attracting most students from overseas, the present demands must tend to hit the best hardest. A policy which thus selectively strikes down excellence and distinction is profoundly un-Conservative.

Because so large a part of university expenditure is on the salaries of tenured staff it is very difficult to propose and enforce any quick-acting cuts. But by far the most promising area for a long term reduction of public expenditure on tertiary education is that of undergraduate fees and maintenance. For the present arrangements, under which these are largely met by outright grants from public funds, rather than by loans repayable through a surcharge on the future income taxes of the beneficiaries, is inconsistent with the stated principles of both parties. Why ever should an intellectual elite receive as a free gift, financed out of everyone's taxes, the tertiary education through which they hope to qualify themselves for above average well paid and congenial employment?

Yours faithfully,
ANTONY FLEW,
Department of Philosophy,
University of Reading
Whiteknights, Reading.

From Professor S. W. Jackman

Sir, May I be permitted to comment on the question of increased fees to be paid by overseas students at British universities. There appears to be a feeling in the United Kingdom that all overseas students have been awarded generous grants to support them by their home governments. In the case of Canadian students, such is not the case; there are relatively few sources of money available for Canadian students to study abroad, and the Canadian Government does not have a policy of providing funds in ample amounts for such purposes.

To be sure, there are a very limited number of grants from the Canada Council—the sums are not large and with the low value of the Canadian dollar can hardly be reckoned excessive. There are not the number of private scholarships as is the case from the United States. The consequence of the recent decision by Her Majesty's Government in London is to reduce drastically the number of Canadian students who would normally wish to be enrolled in British universities. This is very sad because the connexion between academe in Canada and Great Britain has a long history and many Canadian scholars have vastly profited from this relationship.

Moreover, British students who wish to study in Canada are not discriminated against and at my own university their fees are precisely the same as those paid by Canadians. Overseas students bring to a university a wider sense of the academic community and in so doing enlarge the vision of a generation, and indirectly of the nation as a whole, to the ideas and aspirations of the whole world. In so doing they add very much to world order by virtue of the fact that events are not seen in isolation.

Yours truly,
S. W. JACKMAN,
Professor of History,
University of Victoria,
PO Box 1700,
Victoria,
British Columbia.
November 23.

The harm of pornography

From Mr David Holbrook

Sir, I have only so far read the press reports of the findings of the Williams Committee (November 29). But I am quite baffled by their apparent assertion that there is no evidence "in fact" that exposure to certain forms of sexual perversion such as bestiality can do harm. As you point out in your leader (November 29), there are implications in their passage about sadistic films which seem to belie this assumption.

Although the Chairman of the Committee is a distinguished philosopher, there does seem to be something limited about the philosophy on which the Committee bases its conclusions. As you suggest, its mind is too much a mind conceived in rational terms—it is the Humean mind of British philosophy. This leads the Committee to talk at times almost as if it did not matter what happened to consciousness. Yet in the passage you quote they see intuitively that there can be corruption—that there is something dangerous in the arousing of an excited pleasure in exploiting others. If meaning and symbolism are primary human needs, this is a primary political question.

Had the Committee been able to invoke a more "continental" view of the mind, that is, something closer to the idea of the experiencing "I" (which Hume couldn't find) and of consciousness as explored by phenomenological thinkers in "reflective" philosophy, they might have been more aware of the dangers to society of a depraved culture. Those who examined pornography in a phenomenological way, like Professor Robert Stoller, find the essence of it to be "visual rape". The excitement in it is in taking from someone something (we feel) they are not giving voluntarily: and triumphing mostly over woman, who lurks in the unconscious as our enemy, because once we were totally dependent upon a woman, and this is associated with our deepest fears. This triumph can be, in perversions, a form of victimization. Moreover, since in pornography, there can be no real physical and emotional release, there tends to be a mechanical obsession with the body, which seems to be associated with fantasies of trying to rob the body of its substance—an impulse which may be acted out and may involve the annihilation of the "other".

I am summarizing psychoanalytical studies. I find it hard to believe that anyone could read some of the case-histories (like that of a butcher's boy who shot at a prostitute, in Existence—a New Dimension in Psychiatry, ed R. May and others) and not become aware of the underlying dangers when desperate and disturbed minds resort to pornography and its fantasies of hate. Whatever can or cannot be found by empirical methods, based on positivistic "objective" approaches, such as are used by sociology and especially by the Home Office, phenomenological approaches, I believe, confirm what the educationist must believe—that culture educates, and a culture in which man is reduced to a contemptible mechanism teaches people to feel an aggressive contempt for others, which is likely to be expressed in society.

If we accept such interpretations of the meaning of the symbolism of pornography, we could surely see that to licence such indulgence would be wrong: we wouldn't, would we, have licensed centres for the enjoyment of the humiliation of negroes and Jews, for racial hate—for those who wish to indulge? Why, then, centres for the humiliation of woman?

Yours etc,
DAVID HOLBROOK,
Longacre,
Haverhill Road,
Stapleford,
Cambridge.
November 29.

From Mr Nicolas Walter

Sir, Your leading article's particular criticism of the Williams Report for its inconsistency about film censorship (November 29) may be extended to a more general criticism of its inconsistency about all sexual censorship.

As you say, the Williams Committee recommends severe censorship of films about sex, without providing any convincing evidence that they cause any genuine harm, because it felt offended by a film. In the same way, it recommends severe censorship of pictorial publications about sex, while actually denying the existence of any convincing evidence that they cause any genuine harm, because it feels that the law should be used against material which is offensive.

The obvious questions are why such censorship should be applied only to one kind of offensive material, why publications about sex should be treated differently from publications about such harmful activities as crime and war or from such harmful articles as sweets and cigarettes, why the offence given by sexual material should be taken seriously enough to be a criminal offence, and why there should be any censorship of any material which doesn't cause genuine harm to specific individuals or a breach of public order.

Yours faithfully,
NICOLAS WALTER,
Rationalist Press Association,
88 Islington High Street, N1.
November 29.

Cultural links abroad

From Miss Margaret Drabble, and others

Sir, We would like to express our concern about the cuts which now threaten the British Council. Like many others, we have travelled on the Council's behalf to countries that some of us could not have hoped to visit otherwise, and we believe that our own work has been enriched by the experience. We also trust that our visits have been of value to the many students and colleagues we have met over the years, contacts that would have been difficult (and in some countries impossible) to establish without the Council's expert knowledge.

We believe that the Council performs a vital task, the value of which cannot be measured in financial terms. Now more than ever Britain needs to maintain friendly links with the rest of the world. The status of British culture remains high, and is an important source of revenue. It is only common sense to protect this asset. Cuts in the region of 15 per cent (and in some departments higher) would destroy many of the Council's activities, reduce trust, and break links that have taken decades to forge. Public protest reprieved the World Service, and we believe there are similar and equally strong reasons for reprieving the British Council.

Yours sincerely,
MARGARET DRABBLE,
FRANCIS KING,
ARNOLD WESKER,
ANTHONY THWAITE,
MALCOLM BRADBURY,
24 Heath Hurst Road, NW3.

From Dr Gustav Matschl and others

Sir, My fellow members of Parliament and I have learnt with dismay and concern of the Government's plans to implement cuts in the British Council's budget on a scale which seems to us certain to bring into question Britain's commitment to the Anglo-German cultural agreement, and in particular to do serious harm to the long term development of educational, cultural, scientific and professional links between South Germany and Britain, which are of direct economic and political benefit to both partners.

Our recent first hand experience of the British Council's services—we undertook a Council-organized study tour to investigate aspects of the British education system relevant to the current comprehensive school debate in Germany—has further reinforced our considered view that the Council's role in the achievement of Britain's foreign policy objectives within the framework of the European Community is unique and essential, and that it is in Germany's as well as Britain's interest that its work be allowed to continue effectively.

We understand that Government Ministers will be deciding shortly on options for the future of the Council which may be as far reaching as to threaten its very existence in certain countries and, regions; particularly and of closest concern to us, here in Bavaria. We sincerely hope that the need for short term financial savings will not be allowed to obscure the wider implications of the Council's work among Britain's major political and economic partners in Europe.

Yours faithfully,
GUSTAV MATSCHL,
OTTO MEYER,
FRITZ HARRER,
Members of the CSU Cultural Relations Group, Bavarian Parliament,
Bayerischer Landtag,
Munich.
December 3.

Deene Park ballroom

From Mr Rawle Knox

Sir, Ever since I have had the pleasure of knowing the Brudenell family, of Deene Park, they have been trying to get rid of that eyesore of a ballroom there. Now that Mr Edmund Brudenell has at last got permission to pull it down, it seems a bit hard to put him under attack (November 28).

The ballroom was not "added by the Earl"; it was a whim of his second wife, the former Adeline de Horsey, and she could be pretty whimsical. In 1865, when T. H. Wyatt designed and built it, he was not yet president of the RIBA—but he was architectural adviser to the lunacy commissioners.

The building is quite out of character with the rest of the house, and absolutely unheatable except at prohibitive cost. I suspect that even Mr Mark Girouard (November 28), whose splendid Life in The English Country House tells us so much of what went on, could dance sets of "Lancers" through a midsummer night there, and end up feeling cold. During the last war the ballroom was used for the purpose for which it looks as though it could have been built: as a barracks, to biller troops. (They were Indian troops, presumably being acclimatized for winter warfare, and the marks of their charcoal stoves are still burned into the floor.)

I know something of the openings of historic houses in Northamptonshire (including Deene Park), and it is absurd to say that the ballroom would pay for itself if the house were shown more often to the public.

People go there to see an old family house, lived in and gently added to in the centuries before Adeline de Horsey and T. H. Wyatt got going, and now made by the Hon Mrs Brudenell into a lovely and much used home.

Visitors are told of earlier Brudenells considerably more eminent than the 7th Earl of Cardigan and his disastrous charge at Balaclava. The relics from that battle, including the grisly stuffed head of the Earl's charger, Ronald, could easily be housed elsewhere on the premises.

The destruction of the eccentric white elephant of a ballroom, it seems to me, would be a fitting (if a little belated) celebration of the 125th anniversary of the crazy charge of the Light Brigade.

Yours faithfully,
RAWLE KNOX,
Fir Hill,
Droxford,
Hampshire.
November 28.

The Bishop of Southwark

From Canon David Diamond and others

Sir, We are angry at the unbalanced report that appeared in The Times on November 27, concerning the announcement of the retirement of our Bishop, Mervyn Stockwood.

We believe we represent the clergy and the people of the Diocese of Southwark in saying that we could not have wished for a finer Bishop.

Yours faithfully,

David Diamond	Rector and Rural Dean of Deptford
Charles Lansdale	Rector of Catford (Southend) and Downham Team Ministry
Rodney Bomford	Vicar of Camberwell
David Garlick	Vicar of Lewisham
Owen Beament	Vicar of New Cross

St John's Rectory,
353 Bromley Rd, SE6.
November 30.

Not a dry eye

From Professor C. H. Gibbs-Smith

Sir, Mr Howard (November 30) has surely omitted one essential observation of crocodiles. I suggest that the so-called legend of crocodile's tears can be traced to what sometimes happens when a crocodile is under water.

At the London Zoo, I was once watching, close-up, in their wonderful "arcade", and was fascinated to see a large crocodile lying on the bottom of his tank, absolutely still, except that a continuous stream of bubbles was being emitted from the corner of one eye and rising to the surface of the water. For me, it was the obvious explanation of the so-called legend of tears.

Yours faithfully,
CHARLES H. GIBBS-SMITH,
The Vicarage,
117 Queens Gate, London SW7.
November 30.

The last goodbye

From Mr Ronald Mansbridge

Sir, Brian Lowe (November 17) might like to say on his final Christmas card:

Please keep this card and bring it out each successive Christmas. Keep the envelope too. Soon it may be a curious reminder of the good old days when we could send a card through the post for as little as 8p.

Yours faithfully,
RONALD MANSBRIDGE,
46 Bedford Court Mansions,
Bedford Avenue, WC1.
November 27.

Quite a catch

From the Bursar of Robinson College

Sir, Your readers may be interested to know that the appointment has been announced of Lord Salmon, of Sandwich, to the office of Commissary in the University of Cambridge.

It seems to indicate that the University is taking its responsibilities for the supply of food to its members very seriously.

Yours sincerely,
H. J. WOOLSTON,
Robinson College,
Cambridge.
November 29.

COURT CIRCULAR

BUCKINGHAM PALACE

December 3: The Queen held a Council at 6 o'clock this evening.

There were present:— the Lord Soames (Lord President), the Right Hon. Mark Carlisle, MP (Secretary of State for Education and Science) and the Right Hon Sir Michael Havers, MP (Attorney General).

Mr Neville Leigh was in attendance as Clerk of the Council.

The Lord Soames had an audience of Her Majesty before the Council.

The Duke of Edinburgh, as Visitor, this evening attended the Commemoration of Benefactors at Christ's College, Cambridge, and was received by the Master of the College (Professor J. H. Plumb).

Lord Rupert Nevill was in attendance.

The Prince of Wales was entertained at luncheon today by the Commissioner of Police of the Metropolis (Sir David McNee) at New Scotland Yard. The Hon. Edward Adeane was in attendance.

His Royal Highness, Colonel-in-Chief, The Royal Australian Armoured Corps, this afternoon at Buckingham Palace received the Director (Colonel J. D. Keidle).

KENSINGTON PALACE

December 3: The Princess Margaret, Countess of Snowdon, was present this evening at a Concert held at the Royal Albert Hall in aid of the Invalid Children's Aid Association, of which Her Royal Highness is President.

The Hon Mrs Whitehead was in attendance.

KENSINGTON PALACE

December 3: The Duke of Gloucester, as patron, was present at a reception given by The Victorian Society, in Burlington House, Piccadilly, this evening.

Lieutenant-Colonel Simon Bland was in attendance.

THATCHED HOUSE LODGE

December 3: Princess Alexandra, President of the Royal Smithfield Show, with the Hon Angus Ogilvy, visited the Exhibition at Earl's Court this morning.

The Lady Mary Fitzalan-Howard was in attendance.

A service of memorial and thanksgiving for the life of Patrick Woodbine Parish will be held in the Guards Chapel, Wellington Barracks, on Thursday, December 6, at noon.

Birthdays today

Mr Ronnie Corbett, 49; Sir Patrick Donner, 75; Mrs Pamela W. Matthews, 65; Dr A. L. Rowse, 76; Mr J. C. Trewin, 71; the Rev Professor C. J. M. Weir, 82.

Today's engagements

The Queen holds investiture, Buckingham Palace, 11.

The Duke of Edinburgh, as Chancellor, visits Cambridge University, 9.40; visits Sawston Village College, Cambridgeshire, 3.

The Prince of Wales, Chancellor, University of Wales, views exhibition of work of Cardiff University industry centre, Central Hall, University College, Cardiff, 11; visits Barry Day Centre, Barry, South Glamorgan, 2.15; visits Abbeyfield House, Barry, 3.30; as president of International Council of United World Colleges visits Atlantic College, St Donat's, South Glamorgan, 4.45.

Princess Anne, accompanied by Captain Mark Phillips, accepts honorary livery of the Loriners' Company, Barber-Surgeons' Hall, Monkwell Square, City, 12 and attends lunch; attends Westminster Ball in aid of "Birthright", Hilton Hotel, 8.40.

Princess Margaret presents awards at shoe show arranged by Crafts Council, Institute of Contemporary Arts, The Mall, 11; as Master of the Bench attends dinner, Lincoln's Inn, 7.30.

Exhibitions: Breadboards 79, show for home electronics enthusiasts, Royal Horticultural Halls, Elverton Street, Westminster, 10-6; paintings by Steven Outram, Seen Galleries, 39 Paddington Street, Marylebone, 10-6.30.

Lunchtime literary talk, Douglas Adams on *The Hitchhiker's Guide to the Galaxy*, Institute of Contemporary Arts, The Mall, 1.

Talk: "The Second Advent. Some Popular Ideas" by Dr Gordon, St Margaret Pattens Christian Teaching Centre, Eastcheap, City, 1.10.

Lunchtime music: Margaret Phillips, organ, St Lawrence Jewry, 1.

Handel's Messiah, St Paul's Cathedral Choir, St Paul's Cathedral, 6.

Forthcoming marriages

Mr A. Douglas Home and Miss J. Pease

The engagement is announced between Andrew, son of the Hon Edward and Mrs Douglas Home, Westnewton, Kirknewton, Wooler, Northumberland, and Jane Pease, of 20 Chester Street, Edinburgh, daughter of the late Mr and Mrs Maurice O. Pease.

Mr P. Howell and Miss C. D. Mines

The engagement is announced between Peter, younger son of Mrs F. E. H. Howell, of Thorpe Lea Road, Egham, Surrey, and of the late Mr J. Howell, and Catherine Diana, daughter of Mr and Mrs A. W. Mines, of South Street, Durham City.

Mr S. H. Murch and Miss F. M. King

The engagement is announced between Simon Harry, eldest son of Mr and Mrs Harry Murch, of Alexandra Park, Nottingham, and Fiona Margaret, elder daughter of Mr and Mrs John King, of Llandaff, Cardiff.

Mr M. C. Denyer and Miss D. A. Pagan

The engagement is announced between Michael, son of Mr and Mrs C. W. Denyer, of Farnham, Surrey, and Deborah, daughter of Mr and Mrs H. Pagan, of Alburgh, Norfolk.

Mr P. G. Howard-Kyan and Miss K. Hind

The engagement is announced between Paul, second son of Mr and Mrs G. V. Howard-Kyan, of Bath, and Karen, younger daughter of Mr and Mrs T. Hind, of Shildon, Durham.

Mr R. Rogers and Miss S. Solomons

The engagement is announced between Randall, son of Mr and Mrs James Rogers, of San Francisco, and Susan, elder daughter of Dr and Mrs Michael Solomons, of 42 Fitzwilliam Square, Dublin 2.

Mr R. M. Ruck Keene and Miss S. J. Russell

The engagement is announced between Mark, second son of Mr and Mrs George Ruck Keene, of Foxholes, Farnborough, Banbury, Oxon, and Susan Jane, daughter of Mr and Mrs Gilbert Russell, of 100 Oakwood Court, London W14.

Luncheon

Bowater Ralli Foundation

A luncheon was held yesterday at Ralli House, 46 Berkeley Square, W1, to mark the completion of the fellowship year of Dr S. I. Suleiman, a lecturer in surgery at the University of Khartoum. Also present were:

Mr I. Nour, cultural attaché, Sudanese Embassy, Professor M. Hobsley, professor of surgical sciences, the Middlesex Hospital Medical School, Mr W. F. Davis, of the Royal College of Surgeons of England; the Earl of Carrick, Mr N. C. Ballingal, Mr J. K. Oglethorpe and Mr D. A. Rees, trustees, and Mrs E. A. Lethbridge.

Dinners

Lady Mayoress

The Lord Mayor and the Lady Mayoress entertained the following guests at dinner at the Mansion House yesterday:

Sir Michael and Lady Palliser, His Honor Sir Carl Aarvold, Mr and Mrs J. P. Charkham, Mr and Mrs Stanley Field, Mr and Mrs Terence Mallinson, Mr and Mrs J. R. Stainton, Judge and Mrs Edward Sutcliffe, Sir Anthony and Lady Touche and Mr Oliver Van Oss.

English-Speaking Union

General Indar Jit Rikhye, president of the International Peace Academy, was the guest of honour and speaker at a dinner arranged by the English-Speaking Union at Dartmouth House last night. Mr Hugh Hanning was in the chair.

Metropolitan Police

On the occasion of the 150th anniversary of the founding of the Metropolitan Police, the Commissioner and members of the Assistant Commissioners' Mess yesterday entertained at dinner former members, who included:

Sir Ranulph Bacon, Mr W. H. Cornish, Mr G. S. Downes, Sir John Maxwell Hill, Mr H. J. Hunt, Major Sir Philip Margetson, Mr R. J. Mastel, Mr K. A. L. Parker, Brigadier J. M. Rymer-Jones and Sir James Starritt.

Anglo-American Sporting Club

The Anglo-American Sporting Club held a boxing dinner evening at the Hilton hotel last night, when Mr Henry Cooper was the guest of honour. Rear-Admiral Sir Anthony Miers, VC, was in the chair and the other speakers were Mr Walter Bartleman, Mr Mike Kemp and Mr Kenneth Wolstenholme, secretary of the club.

Inter-Parliamentary Union

Mr Benjamin Ford, MP, treasurer, British Group of the IPU, was host at a dinner held last night at Lockets restaurant in honour of a parliamentary delegation from Spain led by Señor D. Juan Carlos Guerra Zunzunegui.

Reception

Mrs P. Kininmonth

The Lord Chancellor, accompanied by the Hon Mary Hogg, attended a reception given by the High Sheriff of Greater London and Mrs Peter Kininmonth for the judiciary of Greater London at Gray's Inn Hall yesterday evening. The Chairman of the GLC and Mrs Vigars were also present. Among other guests were:

The Lord Chief Justice and Lady Widgery, the Master of the Rolls and Lady Denning, Lord and Lady Elwyn-Jones, Lord and Lady Wilberforce, Lord and Lady Diplock, Lord Hooson, QC, and Lady Hooson, Sir John and Lady Arnold, Lord Justice and Lady Roskill, Lord Justice Shaw, Lord Justice and Lady Eveleigh, Sir Robert and Lady Megarry, Sir John and Lady Kerr, the Attorney General and Lady Havers, the Solicitor General and Lady Percival, the Hon Samuel Silkin, QC, MP, and Mrs Silkin, Mr Peter Archer, QC, MP, and Mrs Archer, the Hon Greville Janner, QC, MP, and Mrs Janner, Admiral Sir Charles and Lady Madden, Mr Justice and Lady Cantley, Mr Justice and Lady Chapman, Mr Justice and Lady Talbot, Mr Justice and Lady Ackner, Mr Justice and Lady Purchas, Mr Justice and Lady Juno, Mr Justice and Lady Parker, Mr Justice and Lady Balcombe, Mr Justice and Lady Comyn, Mr Justice and Lady Drake, the Treasury Solicitor and Lady Hall, Sir Wilfred and Lady Bourne, Sir Edward and Lady Singleton, the Queen's Remembrancer and Lady Jacobs, the Governor of Holloway Prison, Lady Bull, Mr J. W. A. Butler-Sloss and Mrs Justice Butler-Sloss, the Mayor and Mayoress of Kensington and Chelsea, the Mayor and Mayoress of Camden, the Recorder of London and Mrs Miskin, the Common Serjeant and Mrs Leonard, the Chairman of the Senate and the Bar, Mr Peter Taylor, QC, the President of the Law Society and Mrs Stebbings, the High Sheriff of Surrey and Mrs Calvert, the Treasurer of Gray's Inn and Mrs Caplan, the Clerk of the Privy Council and Mrs Leigh, the Official Solicitor and Mrs Turner, Chief Master Ball, Chief Taxing Master Matthews, Miss Matthews, the Governor of Brixton and Mrs Selby, the Governor of Pentonville and Mrs Adams, Mr and Mrs A. D. M. Oulton, Commodore and Mrs Charles Noble, Mr and Mrs A. W. Ramsay, Lieutenant-Colonel and Mrs D. Titchener-Barrett, circuit judges, Masters of the High Court and other representatives of the legal profession in London with their ladies.

Meetings

Royal Over-Seas League

The American Ambassador was the guest speaker at last night's meeting of the discussion circle of the Royal Over-Seas League. Sir Dennis White, deputy chairman, central council of the league, was in the chair.

Asthma Research Council

Lord Hailsham of St Marylebone, president of the Asthma Research Council, made a presentation to the former administrative director, Mr L. B. Singleton, at a meeting held yesterday at the House of Commons. Mr Dennis Walters, MP, *chairman of the council*, presided.

Religious centre is uncovered

A preliminary archaeological dig at Maxey, near Peterborough, in a six-acre field has disclosed evidence of a ceremonial or religious centre 5,000 years old.

Mr Francis Pryor, who is leading the excavations, said yesterday: "We expect to find evidence of continuous habitation". Aerial photographs indicate that the site extends for a farther 60 acres and includes several burial mounds, the foundations of Iron Age houses and a series of processional ways.

Inner Temple

Sir Ashton Roskill, QC, has been elected treasurer of the Inner Temple for 1980, and Judge Ifor Lloyd, QC, has been elected reader.

Christening

The infant son of Mr and Mrs Peter Kirk was baptized Benjamin Thomas by the Rev B. L. Day at Cowes Methodist Church on December 2.

Sussex women are bridge giant-killers

By Our Bridge Correspondent

The unseeded Sussex team captained by Mrs J. Garfield continued their giant-killing progress in the women's bridge championship at Eastbourne on Sunday by beating in the semi-final the Netherlands team, which had finished third in the European championship, by 84 to 60 after leading throughout.

That followed their win on Saturday in the quarter-finals over the British team, the present European champions. In the final the Sussex team were up against another seeded team, captained by Mrs Rixi Markus, and three members of which are former world and European champions.

Mrs Markus led by five points at half time and in a keenly contested second half Mrs Garfield's team ran out worthy winners of the Helena Rubinstein Cup by 66 to 58. Semi-final results:

Mrs R. Markus, Mrs G. Durran, Mrs A. L. Fleming and Mrs V. A. Bingham beat Miss J. Ashcroft, Mrs A. Hirst, Mrs A. C. Williams and Mrs J. Dennison 74—63; Mrs J. Garfield, Mrs H. Linfield, Mrs M. Banner and Mrs B. Carr beat Mrs Schippers, Miss Van den Pas, Mrs R. Aas and Miss Vriend (Netherlands) 84—60.

Ladies' plate:

1 Mrs G. S. Francis, Mrs W. W. Brown, Mrs E. O. Armstrong and Mrs J. Parr; 2 Mrs M. P. Hewitt, Mrs N. Starling, Mrs J. M. Strickland and Mrs K. Marks; 3 Miss F. Brickwood, Mrs A. Jaffe, Mrs J. Scott-Jones and Miss S. Manning.

Latest appointments

Latest appointments include:

Mr B. G. Cartledge, aged 48, until August Private Secretary (Overseas Affairs) at 10 Downing Street, to be Ambassador to Hungary in succession to Mr R. E. Parsons.

Captain J. S. Grove to be promoted rear admiral on January 7, and to be chief Polaris executive in May, in succession to Rear Admiral Sir David Scott.

Tate purchases: Two pictures by the British artist, William Roberts, which are both parts of an original larger work, have been bought by the Tate Gallery, with money from its purchase grant. Described by the Tate as possibly Roberts's masterpiece, "The Gutter", the complete work, was painted in 1934-35. It was slightly damaged a few years later while being exhibited in the United States. The artist was also worried that the painting would not sell because of its size, more than eight feet long and nearly five feet high. So Roberts decided to divide the painting in two, eliminating a strip about a foot wide in the process. The larger picture he called "The Playground", and the smaller "Skipping" (above). The paintings are not yet on show at the gallery; their hanging has been delayed by the reorganisation of the Tate's modern collection. The gallery would not disclose the price paid for the two works.

Memorial services

Lord Fisher of Camden

A memorial meeting for Lord Fisher of Camden was held yesterday at the House of Commons. The Hon Greville Janner, QC, MP, president of the Board of Deputies of British Jews, was in the chair and the other speakers were the Chief Rabbi, Sir Harold Wilson, MP, and Lord Wells-Pestell. The Rev. Simon Hass said the memorial prayer. Members of both Houses of Parliament, the Mayor of Hackney, the Mayor and Chief Executive of Camden and representatives of London Labour mayors were among those present.

Mr W. S. Lewis

A memorial service for Mr Wilmarth Sheldon Lewis was held yesterday at St Margaret's, Westminster. Canon John Baker officiated and the lessons were read by the American Ambassador and the Hon William Waldegrave, MP. Among those present were:

Mrs Kingman Brewster, Earl and Countess Waldegrave, Lord and Lady Camoys, the Hon Mrs W. Waldegrave, the Hon David Erskine, the Hon Mrs Reader-Harris, Dame Diana Reader-Harris, Sir Ellis Waterhouse, Sir Paul Wright, Sir Robert and Lady Mackworth-Young, Lady (Edgar) Bonham-Carter, Mr M. J. and Lady Susan Hussey, Mr E. D. and Lady Sarah Wright, Mr J. D. and Lady Anne Boyd, Mr Philip Howard (representing the Editor of The Times), Mr Nicolas Barker, Mrs John Carter, Mr Edward Croft-Murray, Mr John Brooke, Mr Howard Nixon, Mr Basil Dunn, Mr Ronald Mansbridge (Yale University Press) and Mrs Mansbridge, Mr John Kerslake (National Portrait Gallery), Mr Richard Kingzett (Thomas Agnew and Sons), Miss W. Myers and Mr T. Palmer.

Mr M. G. Talbot Rice

A service of thanksgiving for the life of Mr Mervyn Talbot Rice was held on Friday at St Michael's, Chester Square. The service was conducted by the Rev E. G. H. Saunders (son-in-law), assisted by the Rev Dr J. P. Hickinbotham. An address was given by Canon Douglas Webster and the blessing was pronounced by Bishop S. F. Allison. Lessons were read by Mr Nigel Talbot Rice (son) and Mr Richard Talbot Rice (grandson). Among those present were:

Mrs M. G. Talbot Rice (widow), Mrs Teddy Saunders (daughter), Mr and Mrs Andrew Talbot Rice, Mr David Talbot Rice and Mrs Nigel Talbot Rice (sons and daughters-in-law), Jonathan, Sarah, Caroline, Rebecca and Helena Talbot Rice and Hilary, Mark and Jeremy Saunders (grandchildren), Sir Ronald Stewart-Brown (stepson), Mrs P. A. Buxton, Miss Victoria Talbot Rice and Mrs Robert Hale (sisters), Mr and Mrs Benthall, Mr R. Hale, Mrs D. Chandler, Mrs A. R. D. Wright, Miss H. Wright, Mr F. Hurdis, Imogen, Viscountess Hampden, Mrs Tamara Talbot Rice, Mr N. Talbot Rice, Miss E. Talbot Rice, Miss N. Talbot Rice, Air Commodore and Mrs F. J. Manning, Dr and Mrs D. Beard, Mrs Ian Hill, Miss E. Earnshaw-Smith.

Mr C. Macpherson, Mr D. F. Biddle, Mr S. T. Gray, Mrs D. H. Wood, Mr R. J. Shafto, Mr and Mrs N. J. E. Beaty, Mr A. J. Rawlinson, Mr J. G. McCartney, Mr C. J. Chetwood and Miss E. J. Dawes, Mr J. L. Mitchell, Mr K. P. Pool and Mr R. Orby (partners and former partners of Smith and Williamson) and their wives, and members of the staff of Smith and Williamson.

Lady Elizabeth Basset, Lady Beneson, Sir Edmund and Lady Compton, Sir Kenneth Grubb, Daphne Lady Hacking, Lady Lucinda, Sir Henry Mance, Sir Arundel and Lady Neave, Lady Robson, Lady Margaret Stirling-Aird, the Hon Nicholas Heywood, Mr B. G. Cayzer, the Hon A. Cayzer, Mr B. G. Cayzer (British and Commonwealth Shipping Co), Mr J. A. Mulligan (Throgmorton Management), Mr A. A. Robertson and the Hon S. D. Eccles (Grosvenor Central), Mr G. J. White (Montagu Loebl Stanley), Mr K. Dixon, Mr H. C. Cottrell, Mr M. Todhunter (Jessel Toynbee), Mr D. G. Grice (McKenna and Co), Mr S. A. Dawson (Kuwait Investment Office), Mr V. Furness (United States Debenture Corp), Mr P. J. Ensor (McAnally, Montgomery) and Mrs Ensor, Mr J. Manck (S. G. Warburg) with Mr S. Zimmerman and Mr L. Marshall, Mr E. P. Smart (Norwich Union), Mr E. Palamountain (M. and G.) with Mr J. Caulfield.

Mr D. Opee, Mr A. Tyser (Hoare Govett), Mr Lewis White, Mr Roger Watson, the Rev G. N. Shaw (Principal of Wycliffe Hall, Oxford), Mrs Max Warren (Church Missionary Society) with Mr M. Parr and Mr C. B. Fernhough, Mr J. L. Bell (Summer Fields, Oxford), Mrs D. Stewart-Brown, Mrs C. Seddon-Brown, Miss J. Hutchinson, Mrs S. T. M. M. Crichton, Miss V. M. M. Crichton, Mr C. M. M. Crichton, Mrs A. M. Pelham, Mrs H. Clifford-Wing, Mr Temple Williams, Mrs J. P. Hickinbotham, Mr P. Green, Major W. Spowers, Mrs J. Maclie, Mrs N. Whiteside, Mrs M. Brown, Mr and Mrs J. Fisher, Mr M. Manisty, Mr H. Manisty, Mrs F. Grant, Mrs A. M. King, Mr N. Drummond, Mrs M. Brown, Mr A. Dundas, Mr Gordon Bridge, the Rev F. D. and Mrs Burton, Mrs P. F. Currie, Major and Mrs Ian Pelham Burn, Mr and Mrs A. F. Shannen, Dr and Mrs David Hay and other friends and colleagues.

Trust awards prove no lack of architectural skill

By Our Planning Reporter

The latest group of Civic Trust awards, sponsored by Bass Ltd and announced yesterday, provide welcome reassurance that Britain is not as devoid of architectural skill and imagination as is often supposed.

The 27 awards and 75 commendations cover the period January, 1976, to December, 1978, and on this occasion are confined to Greater London, the metropolitan districts of England, and the cities of Edinburgh and Glasgow. A total of 517 entries were received.

Two of the most striking submissions are in West Yorkshire: the restoration of Piece Hall, the former cloth market in Halifax, in a dramatic setting, and the conversion to offices of St Paul's House, Leeds, a former warehouse and factory built in an exotic "arabic" style.

Other award-winning entries outside London include the Byker housing development in Newcastle-upon-Tyne, the new transport interchange in Bradford, an extension to the National Gallery of Scotland in Edinburgh, and a handsomely renovated tenement block in Glasgow.

The London awards include the rebuilt Coutts Bank in the Strand and the restored Old Brass Foundry at Woolwich Arsenal; a new dining hall for Harrow School and an extension of the West German Embassy in Chesham Place.

They also include the flood defences built to protect 42 listed buildings in Chiswick Mall, where it was essential not to detract from th eappearance of the waterfront.

25 years ago

From The Times of Saturday, Dec 4, 1954

Because of the prospect of a big increase in the cost of old age pensions under the national insurance scheme, the Phillips committee of actuarial and economic experts have recommended that the minimum age for claiming national pensions should be raised from 65 to 68 for men and from 60 to 63 for women. If done now this would result in an annual saving of £50m by 1979, it is estimated. In their report, published yesterday, they recommend provision now to raise the pension ages by one year after an interval of not less than five years with two similar lifts at subsequent intervals. They recommend also that the minimum pension ages in occupational superannuation schemes should be kept in line with the national insurance scheme and should not in any event be lower than 65 for men and 60 for women; that tax reliefs should not be granted to schemes providing for retirement at lower ages; and that all schemes should be flexible enough for the pension ages to be varied in the event of changes in the minimum ages under the national insurance scheme. . . .

Latest wills

Professor Wilfred John Hickinbottom, of Guildford, left £149,057 net. After bequests he left the residue to the Chemical Society for prizes or awards for the study of organic chemistry.

Mr Cyril Howard Moseley, of Market Harborough, solicitor and former National Farmers' Union chairman, left £530,300 net.

Other estates include (net, before tax paid; tax not disclosed):

Constable, Mr Kenneth Briggs, Chalfont St. Giles £177,712

Freeman, Mr Donald Henry Dunder, Bayswater, London £250,543

Science report

Research: Canadian budget boosted

By the Staff of *Nature*

Canadian scientists are hopeful that a recent decline in university research is about to be reversed. The Canadian Government has announced that its financial support for that sector of the scientific community will be boosted by 32 per cent during 1980-81 as part of its preelection commitment to increase its spending on research and development.

The first increase, announced by Mr Heward Grafftey, the newly appointed Minister for Science and Technology, will amount to \$159.8m, to be given to the National Sciences and Engineering Research Council, which is responsible for supporting research in Canadian universities. As well as distributing its expanded funds in the form of grants for individual research projects, the council plans two schemes to combat the current and projected shortage of manpower.

Under a research associate scheme, salaries and additional support will be provided over five years to about a hundred postdoctoral scientists at universities who are prepared to commit 90 per cent of their time to research. There will also be support, under another scheme, for undergraduates in the summer of their second or third year who wish to gain experience of research.

Both the council and Canadian scientists have been calling for measures to stop the decline in federal support for scientific research. The extent of the decline and the need for the boost were expressed recently by Dr George Macnabb, the council's president, who is reported in *Nature* as saying: "We are currently operating with a budget which is 14 per cent lower in real terms than it was 10 years ago. This is obviously a very significant increase, although still less than we had aked for." Others have expressed concern that the announced increase represents less than half that requested by the council.

The concern is accompanied by doubts that the government will continue its commitment to increased funding for more than one year. Nevertheless, further announcements are expected soon, with increased funding for the Medical Research and Social Science Research Councils of Canada.

Source *Nature*, November 29 1979 (*volume 282, page 433*).

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OBITUARY

DR ALICE CARLETON

Dermatologist and medical school teacher

Dr Alice Carelton, who was both a notable dermatologist and, for many years, an outstanding teacher of students at the Oxford Medical School, died on December 1 at the age of 88.

Born in 1891 in Dublin, she was the first daughter and fouth child of Sir Arthur Chance, President of the Royal College of Surgeons, Ireland. Her mother had died at her birth and she grew up as her father's close friend.

Alice Carleton had attended a Dominican convent school in Dublin, but in 1909 she was sent to study English literature in Oxford, where her father believed she would get more liberal education. She lived at St Frideswide's convent, which was then recognized by the university as a residence for women students; the Sisters had a reputation for learning and an intelligent liberality of outlook. On her return to Dublin in 1911 she took a degree in English in the Dublin National University and then started upon her medical education in Dublin, where she took the MD degree in 1917 at the age of 27.

She was at once invited by Professor Arthur Thomson to join the Medical School in Oxford on the strict understanding that her engagement as demonstrator in the Anatomy Department was for the teaching and supervision of women only. But there were only four women at that time working in the department; it was filling up with demobilised men, whose university courses had been interrupted by the war and who wanted to get qualified as quickly as possible, and she was soon busily engaged in lecturing and demonstrating to large classes of both sexes. She luckily got on well with "Tommy" as the well-loved Professor Thomson was best known. She showed herself to be a born teacher, incisive, encouraging and patient with those who were bored with the subject and straining at the leash to get on to "real doctoring".

Her coaching classes were legendary and many of the leaders of the medical profession both in this country and abroad remember with gratitude the "grilling" she gave them in their early formative years.

In 1923 she married Harry Carleton the outstanding Histologist and in their home at 45 Banbury Road she displayed her decorator and gardener. Although the marriage was dissolved in 1940, she and Harry remained good friends until his death.

As a result of her inquiring mind she early became interested in dermatology; at first an assistant to Dr Erne[...] Mallam at the Radcliffe I[...]firmary, she was elected a me[...]ber of the Honorary Staff [...] 1927. Despite her full life [...] clinical medicine, she retain[...] an active interest in the D[...]partment of Anatomy until h[...] retirement in 1957. She broug[...] to dermatology the invaluab[...] gift of her scientific traini[...] and this is apparent in her ma[...] publications. A great conver[...]tionalist and a gifted lingui[...] she was well known in Europe[...] dermatological circles, and [...] addition to being President [...] the British Association [...] Dermatology she was a memb[...] of the Societé de la Derm[...]tologie Française.

After her retirement she w[...] invited to the University [...] California, Los Angeles, as vis[...]ing lecturer in Anatomy, a p[...] she held for almost a year. S[...] enjoyed teaching the kee[...] rather more mature Americ[...] medical students, and was d[...]lighted when she was invit[...] to a similar position at Ya[...] the Americans certainly appr[...]ciated her. It is probable th[...] these trips abroad stimulat[...] her desire for travel, and s[...] made many arduous trips inclu[...]ing an African safari at the a[...] of 73.

She was a great personal[...] beloved of many generations [...] Oxford men and women.

LORD FISHER OF CAMDEN

Lord Fisher of Camden, who has recently died aged 74, was one of the Anglo-Jewish community's best-loved sons. In recent years, too, he had become a leading figure in the counsels of world Jewry. From 1973 to July 1 of this year, he was President of the Board of Deputies of British Jews, the representative body of the Jewish community in this country, and thus was the lay leader of the estimated 400,000 Jews in Britain. In July, he stepped down from that office, having completed the maximum period of six years, but was still Chairman of the Governing Board of the World Jewish Congress, a post which placed him in the very top rank of world Jewry.

But it was not only the Jewish community that he served. Having been active in local politics in the Labour cause since 1945, when he became a member of the Stoke Newington Borough Council, he became its first Jewish mayor in 1953—Coronation Year. When the London Borough of Camden was established in 1964, he became its first Chairman and a year later its first Mayor. During his term of office as Mayor of Stoke Newington, he was elected Chairman of the Labour Mayors' and Ex-Mayors' Association.

Samuel Fisher, or "Sammy" as he was widely known, came from humble origins. The son of East European immigrants, he himself was born in Stepney. After the death of his father, Sammy had to leave school at the age of 15 to earn a living. After a variety of jobs, he entered the diamond trade, working in Hatton Garden, and eventually became secretary and vice-president of the London Diamond Bourse, where he was held in great esteem.

Lord Fisher was no great scholar or academic; his great qualities were his warm personality and his charm which he used always to great effect. Allied with a great sense of humour, he had the ability to diffuse potentially explosive situations.

He had a great love for Israel, to which he often travelled, either in connexion with his leading position in world Jewry or simply to visit it and meet old friends. He was a personal friend of many Israeli politicians and also of British politicians. He was created a Life Peer in 1974.

Throughout his life and despite the honours that were showered on him, Fisher never forgot his humble origins or his Jewish tradition, of which he was immensely proud. In his last years, he suffered great physical pain but never allowed this to stop him fulfilling his wide range of duties.

DOROTHY BURLINGHAM

CY and HK write:

Dorothy Tiffany Burlingha[...] whose death in her 89th ye[...] occurred on November 19, w[...] for 50 years the close frie[...] and collaborator of Freu[...] youngest daughter, Anna. F[...]lowing the death of her hu[...]band, Dorothy Burlingha[...] moved to Vienna in 19[...] studied with Freud, and to[...] an active part in the psyc[...]analytic movement.

After the Anschluss s[...] joined the Freud family in exi[...] in England in 1938, and co[...]laborated with Anna Freu[...] with whom she ran the W[...] Nurseries from 1940-45.

From 1952 she was active[...] engaged in the work of t[...] Hampstead Child Thera[...] Course and Clinic. Her maj[...] contributions as a clinici[...] and theoretician permanent[...] enriched the psychonanaly[...] literature; her development[...] studies on twins and on bli[...] children achieved univers[...] recognition, and in the case [...] the latter, led to major chang[...] in attitude and clinical practi[...] by workers in the field.

In her love of art she w[...] true to the tradition of t[...] Tiffany family; and she lov[...] Beauty and Truth in equ[...] measure. She is deeply misse[...] both personally and profe[...]sionally, by her colleagues a[...] by the many students for who[...] her work was an inspiration.

MR H. N. ABRAMS

Mr Harry N. Abrams, an art book publisher who pioneered the popularization of quality art books in America and also did important work in bringing many younger artists before the public, died in New York on November 25. He was 74.

Abrams was born in London on February 23, 1905. His parents emigrated to the United States when he was five and settled in New York where they opened a shoe shop. Abrams left school early but showed promise as an artist and subsequently went to the National Academy of Design and the Art Students' League in New York. Here he decided that publicising, not painting, was his forte, and in 1928 he joined the advertising firm of Schwab and Beatty as a commercial artist. Later he was art director for the Book-of-the-Month Club.

His career as a publisher began in earnest when he founded his own company, in 1949. From small beginnings the Harry N. Abrams company grew to become one of America's largest art book publishers in less than 10 years. Its first three titles, *Renoir*, *El Greco* and *Van Gogh* were conventional enough, though beautifully produced. Later he explored modern art, the American Realists of the 1930s, Picasso, Matisse and Rouault; and the avant garde artists of the 1960s.

Aggressive marketer though he was, he also played an important role in the development of young artists. His own collection of contemporary paintings and sculptures was one of the most important in private hands in the United States. Artists such as Ivan Albright, Isamu Noguchi and Tom Wesselmann owed much to the interest he took in their work in mid-career and it was characteristic of him that when his company was sold to the Times Mirror Company of Los Angeles in 1966, he increasingly looked for a more active role than his continuing chairmanship then gave scope for. With his son, Robert, he started the Abbeville Press in 1977, and books on avant garde figures from the 1960s were among its first projects.

Abrams is survived by his widow and two sons.

VASILY SOLOVYEV-SEDOY

Vasily Pavlovich Solovyev-Sedoy, the prolific, popular Russian composer died on December 2 at the age of 73. Solovyev-Sedoy who graduated from the Leningrad Conservatory in 1936, composed many popular works including the score for the ballet *Taras Bulba* and survived "criticism" at the 1946 meeting of the USSR's Union of Composers for "catering to backward tastes", to become the recipient of Orders of the Red Star, of Lenin and of a Lenin Prize. His best known song is the exhaustively played "Moscow Nights".

Appointments Vacant also on page 23.

Law Report December 3 1979

nily Division

o-habitation before arriage a factor

: Mr Justice Wood

Lordship, stating that the should be careful not to its discretion by a narrow uction of the statutory nes of section 25 of the ıonial Causes Act, 1973, d a broad general approach · words "to have regard the circumstances of the and "to their conduct" considering financial pro- for a wife who had lived ·er husband for 24 years marriage. The marriage asted only four months he husband refused to con- co-habitation. A decree rs granted to the wife in

Lordship, who was giving nt in open court after a in chambers, made an or a lump sum of £8,000 ır of the wife.

Nicholas Wilson for the Mr Nicholas Price for the l.

LORDSHIP said that the l a Polish-born engineer, to the United Kingdom leaving behind in Poland and baby boy. During he worked in engineering. 6 he formed a small ing company, and in and the wife commenced ation, a son being born in In 1950 the wife began part-time in the hus- actory, and full time in They lived in a house in ondon bought by the hus- nd in 1957 he bought a bungalow in Berkshire. he conveyed both proper- rustees on behalf of the

the years the business ı successful concern, with occupying a responsible The parties married in fter the husband was in Poland by his Polish 1972 another matrimonial as bought with money rom the husband or the but the husband refused is wife in the new house. use was also conveyed to who had by then joined y firm.

he wife had realized that money was being trans- the husband's son in t was found that the hus- 1 taken £24,473 wrong- ne money was repaid by and.

' the wife and the son ut the husband's shares 000. The money was m the sale of the second The wife, who went to he bungalow with her her and sister, earned ss a year. Her capital of jewelry valued at

usband, now 68, had pital and a state retire- sion of £1,319 a year. ded the former matri- ome, his son having n not to charge him. fe, who was now 57, ump sum to buy a small he factory. Mr Wilson, said that a lump sum led as over the years ooked after the home y and helped to build ıpany's prosperity.

opposing a lump sum, that the purpose of sec- o 25 of the 1973 Act ıre justice between hus- vife not between a man istress; that the mar- lasted only a few hat the husband had rous to the boy; that hould look to her son and for maintenance; e husband needed every pital in order to secure ity for the future.

a relied strongly on *Campbell* ([1976] Fam e Sir George Baker, said: "It is the cere- rriage and the sanctity e which count; rights, duties and obligations begin on the marriage and not before. It is a complete cheapening of the marriage relationship, which I believe—and I am sure many share this belief—is essential to the wellbeing of our society as we understand it, to suggest that pre-marital periods, particularly in the circumstances of this case, should, as it were, by a doctrine of relation back of matrimony, be taken as part of marriage to count in favour of the wife, performing, as it is put, 'wifely duties' before marriage."

His Lordship said that in that case neither party was worthy of praise for his or her moral attitude, or for his or her contribution to a home, and there had been no upbringing of a family.

The court had to reach a physical and financial resolution of the problems of the family which was fair, just and reasonable to the parties, and it had to look to the statutory guidance provided by section 25. It was important not to limit the court's discretion by a narrow construction of the guidelines. No judge could foresee the multiplicity of circumstances which might be brought before him.

Section 25 required his Lordship to have regard to the "conduct" of the parties and to "all the circumstances of the case". The latter phrase was very wide, but the word "conduct" had received judicial attention.

It was argued, and it was true, that the factor of "conduct" had been used mainly to cut down the amount of financial relief which might otherwise have been awarded to a party and not for increasing the amount. There was nothing in the language of the section which supported that restricted view. His initial approach was that such restriction was unwarranted.

After considering the authorities including the Court of Appeal decision in *Wachtel v Wachtel* ([1973] Fam 72), *Harnett v Harnett* ([1974] 1 WLR 219), *Armstrong v Armstrong* (unreported, May 1, 1974), and *Jones v Jones* ([1976] Fam 8) his Lordship said that there was nothing in them to suggest that a broad and general approach to the words "in all the circumstances" and "conduct" was undesirable or wrong.

The wife had given the best years of her life to the husband. She had been faithful, loving and hard working. She had helped to build up the family business, managed the home and brought up a son of whom both parents were proud. She had earned for herself some part of the value of the business.

The question his Lordship asked was whether he could do justice—that which was fair, just and reasonable between the parties—if he ignored—the earlier history and the wife's behaviour before marriage. Would it really offend a reasonable person's sense of justice to ignore those events and that behaviour? He had no doubt that the answer from the reasonable man would be that they must be taken into account, and not only could those matters be taken into account—whether under the phrase "conduct" or "in all the circumstances of the case"—but section 25 cast a duty upon him to do so.

The wife needed a lump sum to enable her to buy a flat. The sum of £8,000 was not an unreasonable figure. Her claim for periodical payments was dismissed.

It might be that, in view of Sir George Baker's words, some would say that the judgment would encourage relationships outside marriage, but in his Lordship's judgment the occasions upon which a court was likely to hold that justice required such recognition would be very few. The decision would do nothing to undermine the institution of marriage.

Solicitors: Speechly, Bircham; Warmingtons & Hasties.

e ceilings not 'plant'

(Inspector of Taxes) utogrill Ltd

Justice Fox

delivered Nov 20]

re incurred by a cater- ny, Fortes Autogrill e installation of false three restaurants it ıd converted between 74, did not qualify for ıst corporation tax in capital expenditure on sion of machinery or the purposes of the

hip so held in allowing y the Crown from the missioners for Brigh- l upheld the company's had incurred expendi- e £8,000 on the provi- ant" within the mean- ions 41 and 42 of the , 1971, as amended, so fy for the first year

ı Davenport for the Janek Matthews for y.

DSHIP, delivering a dgment, said that the s were made of incom- aster and suspended uctural ceiling. In the veen the two were anical devices, includ- lectrical conduits, fire l other equipment used any in the carrying on ıess of caterers. The rs had found that the pose of the false ceil- provide cladding for lal services and as such u the definition of

However, it was clear that in reaching their decision the commissioners had not applied the "functional" test that had recently been restated by the Court of Appeal in *Benson v Yard Arm Club Ltd* ([1979] 1 WLR 347)—did the false ceilings perform a function in the actual carrying out of the company's trade? Describing the ceilings as "cladding" merely indicated that they were a covering, and there was nothing to suggest that they were necessary for the functioning of any of the equipment; nor could they be described as part of the means by which the company provided food and drink to its customers.

Even assuming that the equipment supported by the ceilings was itself "plant", the "cladding" could not itself amount to "plant" unless it could be said to be part of the means by which the operation of catering was performed. A permanent ceiling, real or false, was part of the premises in which the company's trade was carried on and the fact that "plant" might be attached to it did not of itself bring it within the relevant definition.

The finding by the commissioners that the ceilings were "plant" was not binding on the court; the matter was in part at least a question of law. There was nothing to indicate that the commissioners had directed their minds to the functional test; they had applied the wrong test and the appeal was allowed.

Solicitors: Solicitor of Inland Revenue; Capel, Cure, Peachey & Bates, Brighton.

es have too many ts in hotels

Wooding and Others

ld spend fewer nights Lord Justice Lawton e Court of Appeal. He judgment in appeals efendants whose trials ral Criminal Court in several weeks.

DSHIP, who was sitting stice Chapman and Mr olf, said that the jury at case had spent three hotel at a cost to the 1,152. The court had b ythe deputy circuit r for the South ircuit that between and October 31, 1939, ent 41 nights in hotels. entral Criminal Court, e within the South cuit, 13 juries spent 24 tels, one jury spending . The cost varied with Central London it was 00 a night.

rt accepted that the ıch was followed before ng juries consider their their retiring rooms e hour (in one case at the Central Criminal Court until 2 am) was undesirable. When deliberations extended over many hours juries should be allowed to break off at a fairly early hour, spend an evening together in reasonably comfortable surroundings and resume again the next morning. That should happen, however, only in exceptional cases and should not become, as it seemed to have become on the South Eastern Circuit, but not elsewhere, the expected ending in most long cases.

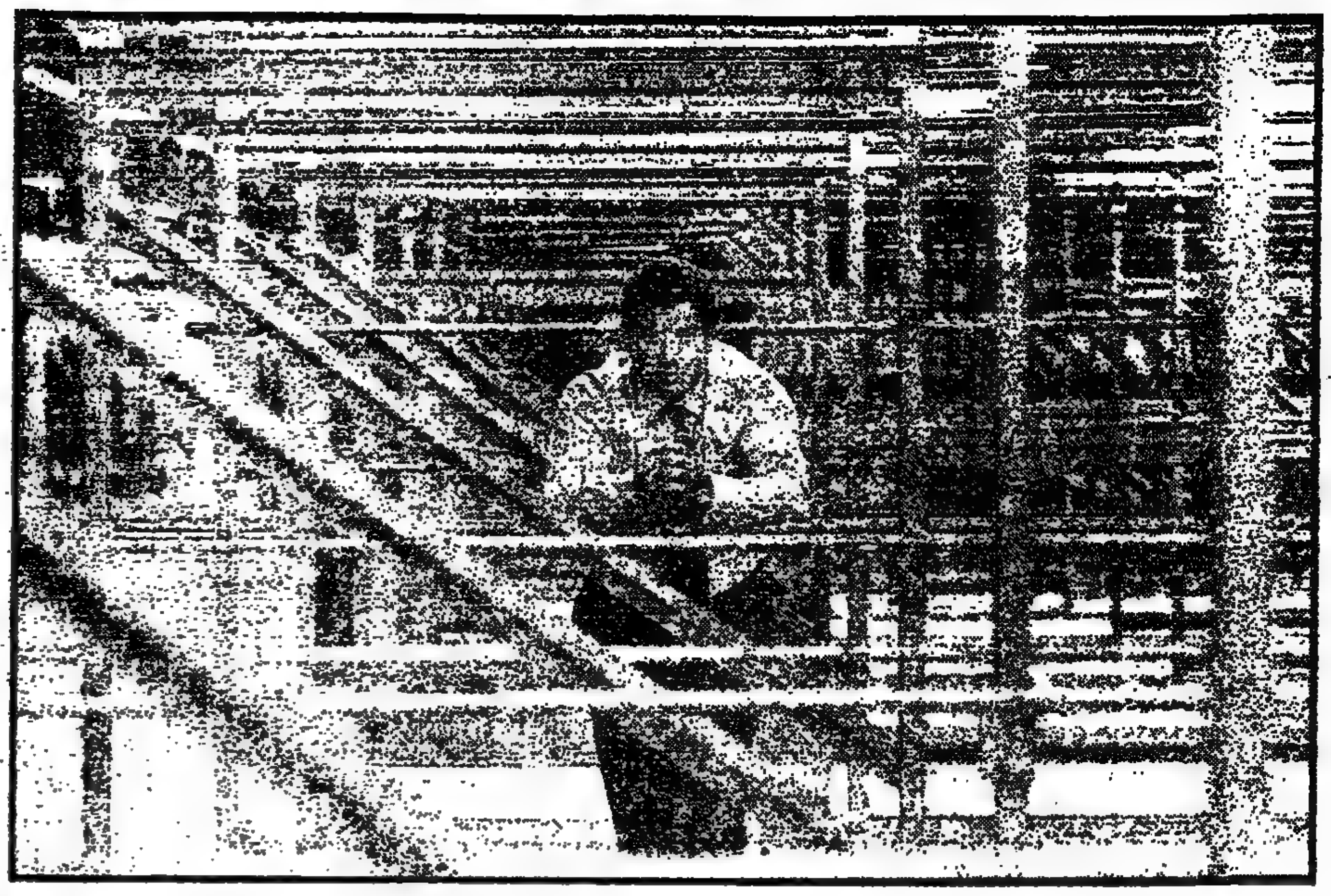
Apart from the cost to the public, other factors operated to the prejudice of the administration of justice. The time needed to make a decision tended to expand with the time available for making it, and long deliberations imposed a strain on defendants from which they should be spared if possible. In most cases judges could avoid the need to send jurors to hotels overnight by planning ahead. If a jury was likely to take a long time considering their verdict they should be sent out to do so shortly after the court sat in the morning.

Fashion

by Prudence Glynn

■ Three outfits from the Alexon Sportset range which are all colour co-ordinated and can be jingled about as you wish. Most important new shape; the car coat, which is going to be the cover up for the new shorter skirts next spring. ■ Below: Pure wool ¾ length car coat, price £69.00, worn with a straight grey skirt with a slit in the front, price £24.95, and a warm-handle cotton brushed shirt, price £25.95. ■ Below right: Lilac tweed overcoat worn with a toning check scarf. It costs £89 in 100 per cent wool. The lilac check skirt is £25.95. ■ Bottom: Grey and burgundy plaid kilt in 100 per cent wool, price £31.50, worn with a colour co-ordinating small check tweed blazer, price £59, a burgundy gilet, price £11.95, and a grey tie-neck blouse, price £17.95. ■ The hats in the pictures are by Charles Batten, and the shoes from Russell and Bromley. ■ All these clothes are available from Alexon Sportset shops in stores throughout the country; to name but a few, Selfridges, London, Harvey Nichols, London, Rackhams, Birmingham, Kendal Milne, Manchester, Browns, Chester, Debenhams, Nottingham, Ricemans, Canterbury. ■ Right: Anthony Stanbury among his distribution software at Milton Keynes.

■ P.S. In a caption last week we mis-spelled Windsmoor.



Photography by Harry Kerr

I tell three shades of lie. The darkest permitted is burgundy and is very rarely employed lest I should end up in a place where the withholding of this delicious beverage would be amongst the torments. The middle tone is rosé, the lie when I answer the telephone and say that I am not available or that I have not received a letter when in truth what has happened is that the cats have been doing the filing again. The lightest shade is blanc-de-blanc, reserved as a first-aid kit for other people's feelings.

It was at the rosé level that I expressed unbounded enthusiasm for a wintry drive up the M1 to Milton Keynes. The last time I went there it looked like Ypres, give or take those dainty lace curtains shielding the inhabitants from the prying eyes of acres of mud and blasted trees. Furthermore the object of my visit was to be a huge new distribution centre for the huge, not new, Steinberg group of companies.

Readers will probably find Alexon and dear old Horrocks the most familiar names, but we should not omit to mention Act 111, Villager, Butte Knit nor an unnamed division which pushes 25 per cent of the company's output into the racks of Marks and Spencer.

Embarked upon my wine dark sea of dishonesty I did not either express the fact that the group had so far signally failed to catch my design imagination, or that the last dealings I had had with it was an outraged communication from its then head, who was also the chairman of the Clothing Export Council, telling me that I had single-handedly destroyed the mantle industry by advising readers that overcoats were going to be out of fashion for a few years (all to do with ambivalent hemlines and soft looks etc and layers). It was rather jolly to discover this unexpected power in my typewriter—what should I try next? A nation going barefoot?

Which goes to show that one should never tell lies of any but the blanc-de-blanc kind, for when I arrived up the unlovely M1 and traversed what now looked like Verdun it was to meet a superb, modern business housed in a Moonraker style complex; it was to find that I was totally out of date with what the group is doing and it was above all to be quite unprepared for the dominant personality of the managing director.

Anthony Stanbury came into the fashion business 19 years ago with one thought in mind, to change it; to update this fractured, seat-of-the-pants, undercapitalized, low return on investment but yet magic industry into a rational entity. He sought quality, price, design that was topical but not outré, and a gradual replacement of old machinery.

If anyone has the qualifications to do so it must be Mr Stanbury. The son of one of the great figures in the industry, Philip, grandson of Alexander who fled a Russian Pogrom to bring his tailoring skills to this country, nephew of Jack Steinberg another puissant figure who is married to no less than the sister of Sir Isaac Wolfson. It is hard to think of a finer lineage. Add to that deep-set aquamarine eyes, a deep-seated sense of social commitment coupled with the sense to recognise that if you really are worried about your weight it might be better not to have chocs after lunch (but he does) and you have quite a remarkable man for 36.

Anthony Stanbury drives a sage green Range Rover, is married to a member of the beefy Vestey family and still does not think he has got the fashion business straight, though figures would argue this. More remarkable is that instead of laying all the blame at labour's door he is more inclined to blame management. Since my own first inklings of the socialist ideal were stirred by watching an inheriting ass at work I like Mr. Stanbury's acceptance of responsibility. It smacks of reality. He wants to know why he cannot generate the same level of productivity through his factories in Port Talbot, Cardiff and West Auckland to be competitive in price with, say, West Germany, and at the same time to provide that higher standard of living and higher sense of motivation of his ever-present competitors.

The distribution plant at Milton Keynes can handle half a million garments at any one time; they are shipped inexorably off the sort of machinery you see in James Bond films onto the lorries belonging to the firm and thence without packing and creasing onto the rails of two hundred shops within stores.

This system of selling has been held to undermine the personal authority of buyers, their local knowledge of what the customer wants and also to trap the customer in an area designated to one manufacturer which she then finds does not suit her.

Anthony Stanbury fights this problem all the way with his Alexon departments. "We work with the retailer, not in competition to him. If we cannot supply a woman with what she wants we train our staff to pass her on to another department and not just to dump her but to put her into good hands." A heartening concept in retailing if ever I heard one. Another idea is to monitor sales by making a note of the customer and letting her know when the next batch of goodies is in. Equally sensible, though I thought it resided only in the madam shops now.

"You have to remember that in most cases when a woman comes out to shop she really wants to buy something. We try our best to provide it. After all there is nothing in life more frustrating than not being able to get what you want."

Ah, how true, Mr Stanbury, how true.

Stock Exchange Prices

Small selling

ACCOUNT DAYS: Dealings Began, Nov 19. Dealings End, Dec 7. § Contango Day, Dec 10. Settlement Day, Dec 17

§ Forward bargains are permitted on two previous days

BRITISH FUNDS

[illegible]

COMMONWEALTH AND FOREIGN

[illegible]

LOCAL AUTHORITIES

[illegible]

FOREIGN STOCKS

[illegible]

DOLLAR STOCKS

[illegible]

BANKS AND DISCOUNTS

[illegible]

BREWERIES AND DISTILLERIES

[illegible]

COMMERCIAL AND INDUSTRIAL

A—B

[illegible]

C—E

[illegible]

F—H

[illegible]

I—L

[illegible]

M—N

[illegible]

O—S

[illegible]

T—Z

[illegible]

INVESTMENT TRUSTS

[illegible]

FINANCIAL TRUSTS

[illegible]

SHIPPING

[illegible]

MINES

[illegible]

INSURANCE

[illegible]

OIL

[illegible]

PROPERTY

[illegible]

RUBBER

[illegible]

TEA

[illegible]

MISCELLANEOUS

[illegible]

Prices on this page are now supplied by Exchange Telegraph's Epic system and are the last prices available from London stock market dealers yesterday evening. Various indices produced by The Times, including the index of 150 industrial stocks, are being reviewed and recalculated to cover the period of non-publication.

هكذا من الاصل

THE TIMES
BUSINESS NEWS

Dollar reaches new low against the mark and gold price soars

By Caroline Atkinson

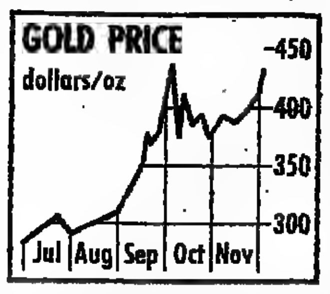
The dollar plunged on the world's foreign exchange markets yesterday, closing at a new low against the Deutsche mark. Disenchanted dollar holders scrambled for gold, and the price soared.

Currency markets have been shaken by the growing tension between Iran and the United States. Fears that anti-American feeling is now spreading to other Middle East countries led to great pressure on the dollar yesterday.

Gold—a traditional currency hedged in uncertain times—leapt by $16.5 to close at $432.25 an ounce. This is its highest closing level, although the price reached $437 an ounce at the fixing on October 2.

There was hectic activity throughout the day on the bullion markets. The gold price did not react immediately to the Iran crisis, but later took off sharply and has risen by $39.25 in the last week.

The world's financial system is uncertain about the long-term effects on markets of the Iranian-American money war, which many foreign exchange dealers think has dealt the dollar a lasting blow. It seems that it will no longer be the sole currency for oil payments. The freezing of Iran's assets will almost certainly deter some investors from holding dollars in the future.



Iran has already begun to take currencies other than the dollar in payment for oil, according to a senior official for the Iranian central bank. Mr Ali Ma'nayi, the head of its international relations, said the bank had begun asking several companies for payments in other currencies as soon as the United States announced the freeze on Iran's assets, and some are believed to have paid in a mixture including the Deutsche mark and the Swiss and French francs.

Iran is likely to raise the question of pricing oil in a basket of currencies at the Opec meeting the week after next.

Some dealers reported yesterday that "everybody was trying to sell dollars". The rate would have gone down further without some help from central banks. The Bank of England was thought to have been selling some sterling and the West German Federal Bank bought dollars during the afternoon.

Nevertheless, the American currency dropped below DM1.71 for the first time to close at DM1.7080.

The Swiss franc gained most against the dollar, although it did not reach its record heights of last autumn. After touching SwF1.5555, the dollar closed at SwF1.562, a drop of 2¼ per cent since Friday. The Swiss have recently taken measures to strengthen the franc.

Sterling gained ground against the dollar yesterday, closing above $2.20 for the first time for several weeks. It finished at $2.213, up 1.35 cents from Friday. Against a basket of currencies, the pound rose to 70 per cent of its end 1971 value during the day, but closed at 69.9 per cent, was unchanged from Friday.

Of the major currencies the yen made least headway against the dollar. It rose from 249.4 yen to the dollar on Friday to 248.8 yen yesterday. It has been estimated that the Bank of Japan had to spend about $4,000m propping up the yen last month.

The dollar's weakness probably means that American interest rates will climb back up. There were some hopes last week that they had peaked, but Eurodollar rates rose yesterday from the previous week's levels.

Speculative buying, continuing firm prices for precious metals and lower warehouse stocks lifted copper prices on the London Metal Exchange yesterday. At the afternoon close, cash wire bars had gained £47 a tonne to £1,035 and three month futures were £41.75 up to £1,037.25.

Commodities, page 21

Many changing jobs barred from transfer of pension rights

By Margaret Stone

Almost three quarters of people changing jobs (in contracted-out employment) are not being allowed to transfer their pension rights. Their applications are either being rejected outright or put into a permanently pending tray.

Pension fund managers complained yesterday that transferability, acknowledged to be the next great goal of the pension industry, far from becoming easier to obtain has been increasingly disallowed since the new state earnings-related pension scheme came into operation 18 months ago.

Under this scheme everyone is entitled to an earnings-related guaranteed minimum pension (GMP) with employers assuming the responsibility for the GMP with contracted-out pension schemes.

Transfer values which include GMP present the new employer with an open-ended financial commitment on pensions not "earned" during employment.

Employers are not turning their back on transfer values entirely but many have made it clear they will not take on GMPs in respect of past service.

The fund managers from the outgoing pension funds, on the other hand, are refusing to negotiate transfer values for leavers if the GMP element is to be left frozen within the old fund. "It is an intolerable situation", said Mr Griff Shepherd, pensions manager at Grand Metropolitan.

Although there are those within the pensions industry who think such attitudes "reprehensible" and "discriminatory against job leavers", both pensions consultants and employers who currently do accept transfer values think that the situation will get worse as GMPs become increasingly valuable.

In he first year of the scheme's existence the GMP rose by 13 per cent and is forecast to rise by at least 17 per cent in the present year which ends in April, 1980.

These increases compare with the much lower limited revaluation increases which the pensions industry successfully negotiated in respect of deferred pensions (left with the company until retirement) which can be either 8½ per cent or 5 per cent plus an additional premium to the state.

The pensions industry wants similar limited revaluation for transferred GMPs. Mr Michael Pilch, chairman of the National Association of Pension Funds, said yesterday that the Government "had missed a golden opportunity" to support the principle of transferability in last week's Social Security Bill.


Mr Michael Pilch

One consolation for job-changers does exist. Even if they are unable to take a transfer value to their new employers, the opportunity may not be irretrievably lost. It is always possible to re-open a request for a transfer value and, if the law in respect of GMPs is changed, most companies will be prepared to blow the dust off old applications.

Citibank seeks court ruling to clarify status of Iranian funds 'frozen' in London branch

By Ronald Pullen
Banking Correspondent

Legal action in connexion with blocked Iranian funds amounting to more than $3,000m (£1,400m) held in the London branches of several major United States banks intensified yesterday.

Citibank, whose chairman, Mr Walter Wriston, has been one of the staunchest supporters of President Carter's action to freeze official Iranian deposits in the United States banking system, has begun proceedings against Bank Markazi, the Iranian central bank, in an attempt to clarify where its London branch stands legally on the question of frozen funds.

There has been considerable uncertainty in international banking circles as to whether American banks can extend the freeze on Iranian deposits to their London branches, where the bulk of Iran's external deposits are held.

Last week Bank Markazi began its challenge on the legality of the move by issuing writs against five New York banks for the release of their London deposits.

The Bank of England, after intense discussions with British and foreign banks, continues to maintain that the issue is one for the courts to decide.

The Iranian central bank is now going through the British High Court for the repayment of more than $3,000m of dollar deposits in London. The writs show it is claiming $1,796m from Bank of America, $416m from Manufacturers Hanover Trust, $332m from Bankers Trust, $321m from Chase Manhattan and $175m from Citibank.

One of Iran's commercial banks, Bank Saderat Iran, has also filed writs against American Express Bank for the return of £1.01m held in London and $18m from the London branch of Credit Lyonnais which is being held in Nassau.

Another commercial bank, Bank Melli, is understood to have secured the return of sterling deposits without going to the courts.

Citibank's initiative has been prompted by a wish to sort out the complicated legal issues as soon as possible because of "the effect which the present crisis is likely to have on the monetary system as a whole".

The action, which has the backing of the American government, will seek "declarations in connexion with the accounts held by Bank Markazi with Citibank in London to resolve the present legal problems which the bank in London is confronting".

It is also asking the court to push through the proceedings without delay and has asked Bank Markazi to cooperate in achieving this.

Meanwhile the rift between American and non-American banks over the Carter freeze also appears to be widening. Japanese banks have now told Chase Manhattan that they will not join in declaring Iranian government corporations in default of loans in which they are syndicate members.

The Japanese seem to be convinced that Iranian borrowers will do their level best to meet their international obligations.

David Cross writes: The Iranian Government yesterday sought to reassure international bankers that it intends to honour "all of its legitimate foreign debts" despite earlier indications to the contrary.

In an advertisement described as an open letter to the American businessmen the Iranian embassy in Washington said the United States press *had recently* presented to the public reports to the effect that "Iran repudiates foreign debt, leaving the impression that all foreign debt is to be dishonoured."

"The truth of the matter is: Iran will honour all of its legitimate foreign debts", the embassy stated. "Those transactions which have been repudiated are few in number and limited in amount."

Squeeze on industry's profit margin

By David Blake

Factory gate prices charged by industry went up by 1 per cent in October, a smaller increase than expected. But the price which industry had to pay for its raw materials and fuels went up by 1½ per cent, widening the already wide gap which has emerged in recent months between the extra costs which companies are having to pay and the prices they have so far felt able to pass on.

It is likely that output prices will have to go up substantially during the remaining months of this winter, which in turn is likely to lead to high rates of retail price inflation until well into next year

The relatively good November figures for factory gate prices brought down the wholesale inflation rate for the past six months to an annualized rate of 17 per cent. Raw material and fuel costs in the same period raced ahead at an annual rate of 22.2 per cent, with a particularly sharp rise in October as higher fuel prices came through. The continuing problems in Iran are likely to lead to further upward pressure

Against this, the pound has been relatively strong in recent weeks, which tends to cut the sterling cost of oil to industry.

Industry has been absorbing some of the higher raw material prices which it faces despite other pressures on its costs. Labour costs continue to increase sharply as earnings mount, and the fact that wholesale prices have gone up by less than either input prices or the likely increase in labour costs indicates a severe squeeze on manufacturers' margins.

Figures for hire purchase and other new credit also suggested an October fling before the Chancellor's decision to impose a credit squeeze on November 15. Total new credit extended rose to £664m, up from £616m in September.

Tables, page 20

Hoffmann-La Roche forced to switch from gas at Scottish plant

By John Huxley

Hoffmann-La Roche, the Swiss drugs group, has been told that a gas supply is no longer available for its £140m vitamin C plant being built at Dalry, Ayrshire.

The announcement by Scottish Gas, which came as a surprise to the Roche management, has forced the company to abandon plans for gas to be the primary source of energy. Designs have been altered in favour of a coal-fired power plant, with oil as a back-up fuel.

These changes will increase the eventual cost of the project, which is attracting about £50m in government aid, although the company would not say by how much. One of the additional costs will be for the provision of extra rail sidings, to take coal deliveries.

The company's decision has come as an unexpected bonus to the National Coal Board, which had earlier agreed to supply about 220 tons of coal a day to the plant from local mines.

At the time it was estimated that this would mean more than 50 extra jobs. The amount of coal now likely to be supplied is thought to be nearer 500 tons a day.

Scottish Gas's inability to guarantee supplies has disappointed the company, not least because it was told only after several months of negotiations.

The company waited for a couple of months to see if the position improved, but has now decided that a decision on energy sources could be postponed no longer.

Mr John Hornibrook, works director for the Dalry project, said gas was preferred for several reasons. It was, for example, cleaner for the proposed technological processes.

He explained that it was not until August that Scottish Gas discovered that it had oversold supplies and was not able to provide for the Dalry plant's needs. Until then, the company believed supplies to be available.

In a brief statement yesterday, Scottish Gas said that after investigating its fuel options, Roche had concluded that gas was not essential to production.

"An offer to supply some gas was made in May this year. It was not taken up within the option period. No further offer *is being made because of the* changed supply situation in the gas industry."

Despite the rethinking over fuel, civil engineering work on Roche's plant, which will provide 450 new jobs, has begun and the first of the chemical engineering contracts have been awarded.

A long battle was fought by government ministers in 1978 to persuade Roche to come to Scotland rather than Switzerland, the choice of many company executives.

In recent months, gas officials have been embarrassed by the strength of demand from both industrial and domestic users. Only last week, Sir Denis Rooke, chairman of the British Gas Corporation, said that the industry had turned away about three times as much new business in the past seven months as it had taken on. He said the "panic flight from oil" was the main reason.

Virtually no new contracts with industrial and commercial customers have been taken on, and customers on interruptible supplies have been given a warning that they cannot expect continuous supply this winter.

The Dalry case is likely to be studied closely by those who want gas pricing and supply policy to be altered in favour of the industrial user.

Denmark's austerity package

From Our Correspondent,

Mr Anker Joergensen the Danish Prime Minister, yesterday announced a stringent economic package designed to reduce Denmark's balance of payments deficit by 6,000 million kroner (about £530m) by 1983.

The move follows a 5 per cent devaluation of the Danish currency against others of the European monetary system (EMS) last Thursday. The new austerity programme prolongs the government's present prices and pay freeze, initiated on November 5, until the end of February 1981.

Limited exemption is allowed to productive sections of industry, to compensate for price rises in raw materials. House *rents, frozen at present,* are to remain subject to tight controls.

The new measures which the Social Democratic minority Government is to present to parliament for a first reading tomorrow, also include tax reforms, amendments to the automatic wage indexation system to curb wage increases, higher wealth and property taxes, a rise in corporation tax from 37 to 40 per cent and a tax increase on private pension schemes from 25 to 40 per cent.

Another proposal gives employees a third of the places on company boards. There is also a scheme for compulsory profit-sharing for workers. Funds totalling 4,500 million kroner are planned to be set aside for job creation projects.

Report of oil cutback by Libyans adds to western supply worries

By Nicholas Hirst

Libya is reported to have cut back its December oil exports, adding new uncertainty to the West's ability to get the supplies it needs over the coming months.

Reports of cuts throughout the Middle East are intensifying as pressure mounts on Saudi Arabia to modify its policy of producing more than it wishes and of selling oil to the Aramco consortium of American companies at $18 a barrel, at least $4 cheaper than the cost of comparable crudes.

Ali Akbar Moinfar, the Iranian Oil *Minister, yesterday* flew into Saudi Arabia to persuade the Saudis to limit their production. Saudi Arabia has been producing 9.5 million barrels a day instead of the 8.5 million figure it would prefer *to conserve its resources. Saudi* Arabia's maximum sustainable production figure is estimated at 10 million barrels a day.

As a wave of unrest continues to sweep Muslim countries, the threat of cutbacks has taken on strong political overtones. Libya yesterday apologized to the United States for the attack on its embassy in Tripoli, but observers of the oil market remain nervous of the effects on supplies of political unrest, and the continued failure to find a solution to the Palestinian question.


Ali Akbar Moinfar: persuading the Saudis to limit production.

The report on Libya's December *cuts was made in the* influential *Petroleum Intelligence Weekly*. Companies' purchases from the state marketing company had been cut, in some instances by 15 per cent, bringing reductions which had originally been planned to start in January into effect this month.

There are also reports that Iraq intends to bring back its production from 3.3 million to 2.7 million barrels a day. It is now the second largest producer in Opec after Saudi Arabia, and a cut of this magnitude would, on top of the others that have been threatened, hit the West hard.

Kuwait is known to want to cut output from 2.2 million barrels a day to 1.5 million barrels a day. The United Arab *Emirates is intending cuts and* so is Venezuela.

There are growing doubts that Iran can continue production at its present rate of 3.3 million barrels a day, which is well below the original target of 4 million barrels a day. The refinery at Abadan is in bad shape and the oil fields are encountering increasing problems with natural gas.

Report criticizes nationalized industries' accounting

Flexible figures improve the image

Facts about Britain's nationalized industries are being hidden from the public and Parliament, the Consumers Association, pubglisher of *Which?* alleges in a report published today.

Consumers Association commissioned the City analysts Phillips and Drew to examine the accounting practices of eight nationally-owned industries.

It concludes: "It is not possible to compare or judge the financial performance of nationalized industries from their published accounts or to make any useful assessment of how they perform against the targets that are laid down for them."

The flexibility in accounting rooms during the transition from historic to current cost accountancy methods, says Con*sumers* Association, enable both profits and losses to be underestimated to improve the industries' "political" image.

Phillips and Drew criticize the frequency with which accounting policies have been changed, making it impossible to compare performances between industries, or from one year to another.

"Individual industries appear to have been too influenced by the effect that the changes would have on their published profits."

The analysts think it "highly unlikely" that voluntary agreement could bring uniform treatment of depreciation policy or gearing adjustments.

Policies on depreciation were the principal difficulty in making comparisons. The report recommends the Government should establish a committee to issue accountancy guidelines for all nationalized industries and that these should all go over to full current cost accounting as soon as possible.

Only British Gas and the Post Office include full current cost accounting depreciation charges in their main accounts.

Gearing adjustments were found to be a principal source of controversy, with British Gas, National Bus Company and the Post Office all forcefully denying their relevance to nationalized industries.

The report suggests that the simplest solution would be to look at profits at pre-interest levels. It adds that if a figure for current cost accounting post-interest profits is required it would be essential to include an offsetting gearing adjustment.

The report says there is a strong case for rationalization in financial targets set for the nationalized industries, and suggests that the best basis would be current cost accounting pre-interest return on capital employed. At present this is used only for British Airways and telecommunications.

Estimates of the industries' results using current cost accounting shows substantial differences from those actually reported.

The Electricity Council's profit of £765.2m in 1977-78 would have been £924.4m on an historic cost basis, but only £258.4m on current costs. British Steel's reported loss of £128.5m becomes a loss of £461.6m on current costs and *the National Coal Board's profit* of £121.1m appears as a loss of £256.4m, excluding government support.

Nationalized Industries Accounting Policies, Consumers Association, Caxton Hill, Hertford SG13 7LZ. Price £15.

Robin Young

[...] markets

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[...]69.9 unchanged

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[...] BRIEF

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[...]l Editor, page 19

[...]ge order

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[...]r buys BA

[...]ospace has beaten [...] from the United [...]lland to sell three [...]6 airliners to the [...]f Madagascar in a [...]9m. Each aircraft [...] with 52 seats for [...] domestic routes [...]ascar.

[...]ling loan

[...]es, the British sub-[...]eterson, Havell & [...] Canada, has com-[...]lm loan for PHH [...]affiliate.

PRICE CHANGES

[...]ick 4p to 37p		Montfort (Knit)	6p to 89p
[...]res 3p to 38p		Reed Exec	6p to 78p
4p to 63p		Rustenburg	13p to 179p
25c to 945c		Western Areas	20c to 558c
25p to 247p		Venterpost	18c to 838c
11p to 156p		Needlers	4p to 43p
10p to 368p		Norton W. E.	3p to 15p
6p to 70p		Shell Trans	10p to 358p
8p to 381p		Talbex	1p to 84p
12p to 246p		Tunnl Hldgs 'B'	8p to 300p

THE POUND

	Bank buys	Bank sells
	2.03	1.97
	28.90	26.90
	65.75	62.25
	2.63	2.56
	12.20	11.65
	8.52	8.12
	9.22	8.82
	3.96	3.76
	96.00	91.00
	11.32	10.72
	1850.00	1765.00

	Bank buys	Bank sells
Japan Yn	573.00	548.00
Netherlands Gld	4.42	4.19
Norway Kr	11.30	10.80
Portugal Esc	112.00	107.00
South Africa Rd	1.86	1.73
Spain Pta	151.75	144.75
Sweden Kr	9.50	9.10
Switzerland Fr	3.68	3.46
USA $	2.36	2.20
Yugoslavia Dnr	48.50	45.50

Rates for small denomination bank notes only, as supplied yesterday by Barclays Bank International Ltd. Different rates apply to travellers' cheques and other foreign currency business.

Duties to be imposed on American fibre imports

The European Commission has decided to impose anti-dumping duties on imports of acrylic fibre supplied by the American Cynamid Corporation.

The duties, which are to be published officially in the next day or so, are expected to range from 7.2 per cent for discontinuous acrylic fibre to 26.8 per cent for continuous filament.

A meeting of EEC trade ministers a fortnight ago decided that action should be taken against cheap fibre imports from the United States. The impact of American shipments has been felt in particular on the Italian market, where the United States share increased from 1.1 per cent in 1977 to 6 per cent in the first quarter of this year. In the same period the share captured by American acrylic producers in the Community market as a whole doubled to 3.4 per cent from 1.7 per cent.

Italy index up

Italy's wholesale price index rose 2.1 per cent in October to 154.6 after a 1.9 per cent rise in September. This puts the index 19.6 per cent above its level of October 1978.

Dutch wage talks fail

Dutch employers and trade unions have failed to agree on wage rises and labour conditions for 1980. This means decentralized wage bargaining will take place in each industry next year. Talks broke down when the employers said their offer of 2 per cent was the *maximum for pay rises.*

Swiss liquidity move

At the end of November, the sight deposits of banks, trade and industry—a key barometer of Swiss liquidity—rose 2,024m Swiss francs to 9,086m francs (about £2,581m). But if the increase in the credit facilities of around 1,600m francs is subtracted, it shows a liquidity level of around 7,400m francs. Since not all of the new 7-day swaps are expected to be renewed, that would bring the level back to around 7,000m francs, the range the Central Bank appears to have been aiming.

German metal losses

Profits in the West German metal industry have fallen despite more favourable earnings. The Metal Industry Employers' Association said in Cologne that around 20 per cent of German metal firms might show a loss for 1979.

French cartel fined

The European Commission has fined three French fertiliser manufacturers each 85,000 European Units of Account (£55,250) for operating an illegal sales cartel on the West German market. The companies, Societe Generale de Engrais SA, Compagnie Francaise de L'Azote and Societe Chimique des Charbonnages were found to have infringed Article 85 of the Treaty of Rome through channeling all their fertiliser *exports* to Germany through a joint subsidiary known as Floral.

Islam debates trade

Increased trade among Islamic countries as part of revamping world trade was urged by Malaysia at a 42-member international Islamic conference in Kuala Lumpur. Mr Mahathir Mahommad, the trade and industry minister, said that Moslem countries supply 60 per cent of the world's petroleum and tin, 40 per cent of its cotton, one-third of crude rubber, 30 per cent of timber and 20 per cent of vegetable oil.

Reserves fall again

Japan's foreign reserves of gold, convertible foreign currencies and Special Drawing Rights fell by $3,107m (about £1,635m) in November to $10.166m at the end of the month, the finance ministry announced. This is the second time that Japan's foreign reserves decreased from the previous month's level, following October's $2,062m drop.

Prices maintain rise

West Germany's producer price index (base 1970) rose 0.4 per cent in October to 156.4 after a similar 0.4 per cent gain in *September. This was an increase* of 6.5 per cent against October, 1978, compared with a 6.2 per cent year-on-year increase in September.

Diesel investment

Kloeckner-Humboldt-Deutz of Cologne is investing more than $50m (over £26m) to produce air-cooled diesel engines in a factory bought from American Motors Corporation. Production will start in summer 1980.

£11.5m Nigerian deal

Biwater Shellabear, of Dorking, has been awarded turnkey contracts worth more than £11.5m to supply, install and commission its Biwater Tower water treatment plants in various parts of Nigeria.

Galveston gas find

A natural gas well on Block 393 of the Galveston Island area in United States federal waters south of Galveston, Texas, encountered three productive zones between 4,300 and 7,400 feet, Houston Oil and Minerals Corporation said.

Mr Brezhnev gives frank report on Russia's economic shortcomings

Dismal end in sight to Kremlin five-year plan

As the 1,500 delegates to the recent session of the Supreme Soviet return home, they take with them the clear message that all is not well with the Soviet economy, and there are formidable problems ahead as their country moves into the 1980s.

The Soviet leadership reassured them that the Soviet Union was still a mighty economic power with a rising standard of living, increased production and a commitment to satisfy the demand for more and better consumer goods.

But the figures given by Mr Nikolai Baibakov, chairman of the state planning committee, paint a dismal picture of performance this year and of what can be achieved in 1980, the final year of the current five-year plan. And Mr Brezhnev, in his report to the senior Communist Party officials who really run the country, was devastatingly frank about the difficulties and shortcoming of the Soviet economy.

Overall growth this year will probably be only about 3.6 per cent, compared with the target of 5.7. The grain harvest of only 179 million tons, compared with last year's record of 237 million, means that a lot of valuable hard currency will have to be spent on increased grain imports.

Oil production next year will be 606 million tons compared to the original target of 640 million and the growth of industrial output will be 4.5 per cent, a drop from the high rates enjoyed in earlier years.

Of course the weather accounted for the poor harvest. But the severe winter also had a considerable effect on Soviet industry: The statistics for the first half of the year were the worst for a long time, showing that many sectors of the economy were failing to live up to their plan.

But Mr Brezhnev's report made it clear that it was not just the weather: It was bad management, poor quality work, bottlenecks and shortages and a general lack of initiative.

He said nothing that Western observers have not forecast for some time—a growing and serious shortage of oil, the poor return of the vast agricultural investment, chaos on the railways—but he did not attempt to play down the scale or significance of these shortcomings.

He said enormous amounts of money had been invested in industry and the labour force had been increased, but the final result this year was less than it should have been, and less than the country's potential allowed.

The party chief did not offer any new solutions. The long-term difficulties can be reduced to one very simple diagram: a triangle consisting of Siberia where the natural resources are, Central Asia, where the surplus manpower is, and Western Russia, where most industry is located. The problem is which should move to where.

The difficulties in the Industrialized West are aggravated by an acute labour shortage because of low birth rates over the past 20 years. Mr Brezhnev has said that all growth must now come from increased productivity instead of increased additions to the labour force. But unfortunately this has not occurred.

In 1977 Soviet output per worker was only 55 per cent of that of the United States, in spite of vast increases in state investment (the only sector of the economy now running well ahead of plan) productivity appears, if anything, to be declining.

The Soviet leadership, well aware of the gravity of the situation, responded this summer with a lengthy resolution, which reversed all ideas of decentralization and called for a tightening up of central control.

It aimed to improve the planning process, make factories more responsive to consumer demand, channel investment into automation and cut back new construction.

It went into details about what needed to be done: measure a factory's output in terms of volume sold instead of volume produced, speed up the commissioning of new equipment, improve the standardization of consumer goods and the quality of output, withdraw obsolete articles from production, and tie retail outlets more closely to their suppliers.

It also called for greater economic accountability by individual enterprises, an increase in material incentives available to them, more investment in scientific and technological research.

However, Western observers suggest the complexity of the new demands will effectively lead factory managers to carry on much as they have done before.

The Russians can point out that predictions for Western economies in the next few years are even more gloomy. But, given the traditionally high Soviet growth rates, the new trends will present any new leadership in the Kremlin with its biggest challenge.

Michael Binyon

Cars survey predicts a stagnant UK market but growth in Europe

By Edward Townsend

New car sales throughout the world are forecast to rise from 34.3 million to 37 million units a year between 1982 and 1984 but the British market is expected to remain relatively stagnant in the face of continued growth and expansion in the rest of Europe.

The predictions, in a survey of the world automotive industry published today by Economic Models, are that the United Kingdom car market will total 1.69 million this year falling to 1.5 million in 1981 and failing to rise above 1.7 million a year by 1984.

Despite thes light fall in EEC new car registrations expected for 1980, the report says the trough of the current recession is expected in 1981, when current restrictive monetary and fiscal policies are expected to have their full effect. The move towards even lower rates of growth of output and real incomes is expected to be particularly severe in the United Kingdom.

Falls are also forecast in France and Germany, pulling the EEC sales total for 1981 down to 8.55 million against 8.74 million for 1980. Japan and the United States should recover in 1981, with the American market rising to 10.8 million and Japan's to 3.37 million.

A gradual expansion in western economies from 1982 onwards should benefit the United Kingdom. France and Germany are expected to show the best growth, with the United States market rising to 11.6 million units by 1984 and the Japanese to 3.6 million.

The survey adds: "The overall expectation of world demand is therefore optimistic. The prospects for the production activities of the major companies beyond 1982 are complicated by the widening distribution of the car market between consuming countries."

The continual expansion of assembly plants throughout many different areas of the world, will only strengthen the position of the European-based multinationals, it says. The strength of the leading manufacturers as centres of design expertise and production know-how "will ensure their prosperity into the mid-1980s".

The British industry, says the report, is obviously for more dependent upon a home market which is stagnant and a scattered set o fsmall export markets.

Mr Tom Boardman: encouraging Chambers of Commerce to act.

Aid for the smaller company

By Patricia Tisdall

Investigations into the possibility of large companies combining to help small companies are being carried out by Birmingham and Leeds Chambers of Commerce. The London Chamber, working with nine large companies, including Shell, Marks & Spencer and IBM, is already operating an agency whose aim is to help small companies and inner city regeneratio nin London.

Assistance is being given in the form of counselling and management expertise rather tha nin cash handouts. In addition the London Enterprise Agency, which claims to have *helped over 50 0small* companies since its establishment in April, is building a "small firms estate" and is in the process of drawing up a code of behaviour to guide large companies in commercial dealings with small.

The Birmingham Chamber plans to start a similar project and discussions with a number of large companies are at an advanced stage.

In a letter to Mr Michael Heseltine, the Secretary of State for the Environment, Mr Tom Boardman, the president of the Association of British Chambers of Commerce (ABCC), says that similar developments are taking place in Leeds.

Mr Boardman was outlining the work which Chambers of Commerce are doing to help inner city areas. The ABCC has agreed to collaborate with local authorities and Mr Boardman says it intends to "encourage those Chambers who are not yet playing a full role to do so".

Meccano plant occupation starts

By R. W. Shakespeare
Northern Industrial Correspondent

Meryseyside has become the focus of another factory occupation by workers, after the decision by Airfix Industries to close its Meccano and Dinky Toy opeations in Liverpool and make almost 1,000 employees redundant.

At a meeting inside the factory in Binns Road yesterday, 940 workers—almost the entire *shop floor and office labour* force—voted unanimously to reject the company's redundancy plans, which include pay in lieu of notice, and to mount a round-the-clock occupation of the premises.

A token workforce, including most of the shop stewards, had been occupying the plant since union officials were given two hours' notice of the closeure on Friday. Now all the men will work a rota system for an indefinite takeover of the premises.

At the weekend, a security company moved in, on the instructions of the management, to board up windows. There is understood to be about £2.5m of stock, materials and equipment *inside the factory.*

Seven unions have members in the Binns Road factory, but most of the men belong to the General and Municipal Workers Union.

Mr Frank Bloor, GMWU convener, and chairman of a newly-elected joint action committee, said: "We are here to stay, and we will work for as long as we can. Supervisors and foremen are with us and we have asked for their help to keep the factory working. Some production is taking place today."

Mr Bloor said the object of the "work in" was to persuade the company to change its mind about the closure. There would be a campaign to enlist support throughout the trade union *movement.* "*Productivity* at this factory has increased considerably over the past 12 to 18 months, and this has been coupled with a reduction of some 300 in the labour force. In no way are we convinced that this shutdown is necessary."

Disagreement on paper import quotas

By Edward Townsend

British printers have again appealed to the Government to increase the duty-free quotas on paper imported next year from European Free Trade Association countries, but United Kingdom paper makers want to see the quotas held at present levels. There are hopes that a compromise may be reached.

A British Printing Industries Federation statement said the industry faced increasing competition from printed matter *which entered the United* Kingdom, often free of duty, from countries which enjoyed access to domestic sources or duty-free imports of printing and writing papers.

"The printing employers federation argues that the Government *should do all in its* power to place British printers in a position comparable with that of its foreign competitors," the statement says.

Under the terms of a complicated system of quotas and triffs, imports of paper and board from the Efta countries, notably the Nordic nations, are governed by quotas which the British Government may raise by up to 5 per cent a year.

Paper makers maintained that with paper and board imports from all sources accounting for 50 per cent of United Kingdom consumption, any increase in *the quotas next year would* placeplace further strains on output and job protection.

But the printers argue that many quotas for printing and writing papers have been left unchanged since 1975, with the result that some cover less than a quarter of United Kingdom imports and the printing industry has to pay duty on 36 per cent of Efta imports of these grades.

EEC to give financial aid for databases

The European Commission is to provide financial support for the setting-up of databases and other information services. In a bid to gain a one-third share of the worldwide information services market for Europe by 1990.

Europe should also aim to gain a 30 per cent share of the world telecommunications market by 1990, the Commission says, together with 30 per cent of the world market for computers, mini-processors and software; and a 30 per cent share of world deliveries of electronic components.

These targets were presented in a Commission strategy paper prepared by *Viscount Etienne* Davignon, a Member of the Commission, at the European Summit meeting in Dublin last week, and are to be announced today at an online information conference in London by Dr Georges Anderla, director of information management of the *Commission.*

At present the nine countries of the European Communities hold about 18 per cent of the 28 per cent of telecommunications; 18 per cent of computers, mini-processors and software; and ten per cent of electronic components. In the informa*tion services area the target* means a fivefold or sixfold growth in the size and output of the European information supply industry by 1985.

If nothing is done to correct the present imbalance between the American (80 per cent) and European (18 per cent) shares of the *information market,* Dr Anderla says, "then no mater how successful we are in boosting our telecommunications and electronic data-processing and chip-making industries, the digitalized, integrated networks of the future operating in Europe wil lbecome mere physical extensions of the United States networks and the traffic will forever be predominantly one-way".

The oil crisis is a reminder of the dangers of excessive dependence on foreign suppliers, Dr Anderla points out, and the same reasoning applies to the present technological dependence of Europe—which is closely related to information dependence.

The Community's balance of payments deficit for information services stood at $1,000m five years ago. It has now reached $2,000m. "We simply must reverse this trend and regain some of the ground lost", Dr Anderla says.

By the mid-1980s, at least 500 new databases and value-added services should by created in the Community countries. The French alone aim to create 50 new databases by 1984. The bulk of the new databases and related equipment, Dr Anderia suggests, should be set up and operated by the private sector.

Technology News

Academic link with industry

The value of industrial academic collaboration in design and development has been well demonstrated in recent projects at Surrey University and the postgraduate Cranfield Institute of Technology. One has produced a specialized machine for cigarette packing, the other a new type of air filter for use in power stations, chemical works and other industrial plant.

At Cranfield, 11 MSc students of design of production machines and systems have developed a new web continuity machine which will improve significantly the speed and efficiency of cigarette packing. The work has been sponsored by the tobacco machinery division of Molins.

The company has applied for four patents to cover innovative aspects of the work. The new web machine operates automatically and continuously for an eight-hour shift, feeding the packaging machine with metal foil or Cellophane. Previously, about 20 stoppages per shift were needed to load fresh reels of web.

Now, up to 30 reels can be loaded at the start of a shift and the machine then runs automatically, detecting the finish of one reel, accelerating the next up to speed and then joining the leading edge of one to the trailing edge of the other.

At the University of Surrey at Guildford, the filter project has involved an inventor, the university, the National Research Development Corporation and an industrial company. Mr Derek Purchas, a consultant chemical engineer, conceived the idea; with NRDC suport he did small-scale development work in the chemical engineering department at Surrey.

This was followed by a three-year postgraduate research project, also NRDC-backed, at the university; and the adoption of the concept by Begg, Cousland and Company of Glasgow.

Conventional industrial air *filters work rather like* a vacuum cleaner in reverse: dust-laden air is fed into a chamber containing filter bags, and at intervals the airflow is stopped and the coating of dust on the bags is removed by mechanical shaking or by reversing the airflow.

The new system, known as Becodex, employs a compact stack of sloping, shalow filter boxes. Dust is removed by high-frequency, small - amplitude vibration, giving more effective cleaning and causing less damage to the filter material.

Efficiency, compactness and design flexibility of the new process were confirmed in a prototype built by Begg, Cousland, and the device has now been launched on the international market.

Viscount Etienne Davignon: setting target.

LETTERS TO THE EDITOR

Private health penalties

From Captain D. G. Goodwin

Sir, Mr Knott (Business News letters, November 21) is not alone in feeling aggrieved at Bupa's latest policy of penalizing the over-65s. When I was faced with this situation earlier this year I could hardly believe it; I genuinely thought there was some mistake.

I pointed out to Bupa that its policy meant, in effect, that we older subscribers were now subsidizing the newcomers for whose custom Bupa was angling; that our generation had, over many past years when we were younger and had minimal claims, been cheerfully "subsidizing" the older subscribers' claims; and that it was unfair that now that we had "served our term" we should suffer the tables being turned on us so blatantly.

But Bupa does not wish to see it that way. It knows that we are inevitably captives; no one else is going to compete for our custom at our age. No doubt it reckons that it will gain more recruits under its *own advantageous new scheme* than it will lose in the over-65s who have to leave. One can only admire Bupa's hard commercialism while being saddened by its sense of moral justice.

CAPTAIN D. G. GOODWIN,
Fordingbridge,
Hampshire.

From Mr J. H. M. Weston

Sir, I sympathize very much with Mr R. D. Knott in his predicament as a Bupa subscriber. I joined the other similar large organization, now known as Private Patients' Plan (PPP), when in my thirties shortly after the war. I regarded my membership, which has continued without interruption, as a protection against the likely illnesses which would probably increase as my wife and I got older.

I assumed that PPP would by receiving subscriptions from healthy young people be able to fund the advertised benefits for members as they [illegible] older.

I was therefore shocked a few years ag[illegible] PPP informed m[illegible] that a[illegible] reached a certain age t[illegible] of my subscription woul[illegible] to be increased solely [illegible] of my age. The reasons were very similar to the *to Mr Knott, i.e. that t[illegible]* and incidence of "increases with the age subscriber".

I should have thoug[illegible] would have hoped, th[illegible] organizers of Bupa an[illegible] would have taken into [illegible] the inevitability to whic[illegible] refer when their re[illegible] schemes were launched.

Fortunately I have [illegible] been told by my life ins[illegible] company that, as the risk death at 69 is consi[illegible] greater than it was when out my policy at 3[illegible] premium will be increa[illegible]

J. H. M. WESTON
Gosfield Hall,
Essex CO9 1SF.

Sharing the cost of docks redundancies

From Sir Arthur Peterson

Sir, Shortly before your eclipse, you published a letter from me commenting on the then Government's decision to give £35 million to the Port of London to meet the cost of necessary staff reductions.

If your transport correspondent's forecast (Business News, December 3) is correct it seems that the present Government is due to continue a policy which is manifestly unfair to ports such as Liverpool, which have to deal with exactly the same problems as London.

The restructuring of the port industry is a difficult and expensive process and it is right that there should be generous treatment for men who are no longer needed, often after a lifetime of service in the industry.

But the problem is common to all the major ports and if the Government are to make central funds available towards its solution then it should do so to all ports which need them. Any system by which all ports except one are expected to contribute 100 per cent of the costs while the remaining port contributes nothing is unjust and inequitable.

SIR ARTHUR PETERSON,
Chairman, Mersey Docks and Harbour Company.

Interest on ca[illegible] tied up in house purcha[illegible]

From Mr Malcolm C. L[illegible]

Sir, In your issue of No[illegible] 24, the "Readers' [illegible] column begins with an [illegible] about entitlement to [illegible] against a solicitor as a[illegible] of the delayed completi[illegible] purchaser.

The advice given, quit[illegible] priately, is to refer the [illegible] to the society's *Guide to* [illegible] *fessional Conduct of So*[illegible] but states as though it [illegible] fact that "you should [illegible] interest reimbursed b[illegible] solicitor". The referenc[illegible] guide is to the S[illegible] *Accounts (Deposit I*[illegible] Rules, having statutory [illegible] ity, which provide for [illegible] or its equivalent to [illegible] where "having regard t[illegible] circumstances (includi[illegible] amount and the length [illegible] for which the money is [illegible] be held) interest ought [illegible] ness to the client to be [illegible] *for him*".

Because of the *nece*[illegible] consider the *relevant* [illegible] stances in order to de[illegible] what fairness requires, clearly not be in eve[illegible] of delayed completion [illegible] client will be entitled [illegible] est on the purchase mo[illegible]

On the *occasions* w[illegible] contractual data for co[illegible] has passed it will mo[illegible] than not be the case [illegible] possibility of completing examined from day to [illegible] less it appeared unlik[illegible] completion would tak[illegible] within a substantial [illegible] would be impractical [illegible] *the purchase money on* [illegible] to earn interest.

The above-mentioned [illegible] give The Law Society p[illegible] adjudicate on a dispute [illegible] solicitor and client in [illegible] stances such as these [illegible] course, all the relevant [illegible] the case are examined.

Yours faithfully,
MALCOLM C. LEAF,
Secretary,
Non-Contentious Busines[illegible]
The Law Society,
The Law Society's Hall,
113 Chancery Lane,
London WC2A 1PL.
November 26.

Monthly payment of 'phone bills

From Mr I. T. Collinton

Sir, Your correspondent Mr R. T. Arguile (November 27) complains of the difficulties in obtaining the Post Office's agreement to his settling his telephone bills by banker's order.

In early 1976 I received a very heavy (but unfortunately accurate) telephone bill which prompted me to ask the Tunbridge Wells Telephone area manager if I could in future pay by monthly standing order. Somewhat to my surprise, he agreed without demur and provided a payment reference number to enable such payments to be correctly identified. The only condition was that outstanding debit balances on quarterly bills should be settled within a fortnight.

This system has worked without a hitch for nearly four years. I do not begrudge the Post Office the small credit balance I have accumulated.

Yours faithfully,
I. T. COLLINSON,
15 Quakers Hall Lane,
Sevenoaks,
Kent.
November 27.

Service to Institute of Directors

From the Director General of the Institute of Directors

Sir, It would be inappropriate for me to comment on your report in the Business Diary on Friday, November 30, of the events in the institute preceding my term of office as Director General. However, I do wish to comment on your statement that "the effect of sympathy for the last Director General eventually resulted in Randolph's departure". This is not correct.

Mr Randolph agreed in 1976 to serve a three-year term of office as chairman, which ended in September, 1979. I was delighted that on the conclusion of Mr Randolph's predetermined period of office the Council of the Institute recognized his service by appointing him as a vice-president.

Mr Randolph has therefore not "departed" from the institute and, in addition to being a vice-president, he continues as chairman of our important European and International Committee.

WALTER GOLDSMITH,
Director General,
Institute of Directors,
116 Pall Mall,

High interest rates

From Mr Gregory Macdonald

Sir, Perhaps you will allow a footnote of at least nostalgic interest to the discussion of the highest interest rates in our modern financial history? For *a few years before the last war* both the American and the British governments were able to borrow in the money markets at rates which reduced the lenders to the position of accountants of interest-free money.

This was the successful period of Roosevelt's New Deal when, the average wholesale price index being more or less stabilized, deposits were piling up in the banks and there was a fall in commercial borrowing. Insistent government borrowing, with little competition, forced down the rates. In September 1935, the bulletin of the National City Bank of New York showed the following rates of interest on American short-term Treasury Bills during August:

Bills	dated	August	7 ..	0.073%
"	"	"	14 ..	0.073%
"	"	"	21 ..	0.087%
"	"	"	28 ..	0.127%

In this country Treasury borrowing was being carried on at the low rate of 10s 6d per £100. In January of that year it fell to 3s 10d.

On December 2, 1935, the Government invited applications for £100,000,000 in 1 per cent Treasury Bonds 1939-41 at 98 per cent. *Keesing's Contemporary Archives* commented on that item: "This is the first time in the financial history of the United Kingdom that the Treasury has borrowed on securities bearing 1 per cent nominal interest, except in the form of Treasury Bills". As we have seen, the Treasury Bill rate was even lower.

Yours faithfully,
GREGORY MACDONALD,
76 Copse Hill,
Wimbledon SW20.
November 15.

Currency costs

From Mr David Anders[illegible]

Sir, I would like to [illegible] suggestion to Mr R. B[illegible] (Letters, November 22[illegible] *ence his currency wor*[illegible]

Instead of posting hi[illegible] French francs or pay [illegible] small fees necessary to [illegible] the francs to sterling a[illegible] sending a draft to Fr[illegible] pay the deposit for his [illegible] accommodation next [illegible] suggest he should use [illegible] to purchase the requir[illegible] for his deposit and [illegible] French notes for use [illegible] holiday.

In this way he can [illegible] costs to the minimum, [illegible] must accept that [illegible] rates fluctuate.

Yours faithfully,
DAVID ANDERSEN,
Thomas Cook Limited,
Thorpe Wood,
Peterborough PE8 6SB.
November 27.

Obstacles facing inventors

From Mr M. E. A. Passmore

Sir, The leaders of government and industry are constantly emphasizing the importance of inventions to our technological survival, but the departments responsible for nurturing new ideas, including the National Research Development Council prevent private inventors from developing new enterprise by withholding finance at every step of the way.

Private inventors are constantly paying to file patents with the patent office, after which process there are annual maintenance fees. They also have to meet the expense of *all the research work* necessary to turn the idea into a saleable commodity.

In these days of high cost borrowing the private inventor cannot carry out a research and development programme without outside funding. No company will take up the work *without credible* evidence of research. Without an income from his work the inventor will be unable to maintain his patents and they will lapse. Once unprotected the pirates can move in and use his work simply by purchasing a copy of his patents from the Stationery Office for a small fee.

I am sure the system was not intended to work in the following way but we now have the ingredients for a public fraud and scandal.

1. The leaders of government and industry constantly asking for new ideas.

2. Private inventors diligently filing new ideas with the comptroller of patents and in due course failing to maintain them through lack of support from the NRDC and government departments.

3. In effect the patent office can be wrongly used as a bank of ideas which can be drawn on without a penny of royalty being paid to the inventor, thereby saving a company considerable sums of money which would otherwise be the income of the inventor.

At present, ideas which spring from the universities or research departments in industry are funded by government or industry as part of a programme and are the property of either government or industry, depending on where they were initiated. Private inventors very rarely receive help and when they are offered finance it is invariably on the condition that the inventor signs away his right to control his creations.

As a private inventor myself, with patents in the United Kingdom, the United States and elsewhere, I would like to see a campaign aimed at the heart of the problems outlined above. The public is entitled to know what is happening to the funds which are no[illegible] used to help the privat[illegible] tor.

My own inventions [illegible] dergone preliminary [illegible] tion by some half [illegible] universities who [illegible] expressed the opinion [illegible] system has tremendou[illegible] tial, one doctor going [illegible] to say that a system [illegible] mine would allow buil[illegible] the future to be con[illegible] which would save [illegible] resources and give [illegible] tural freedoms not po[illegible] the moment.

Yet I have spent [illegible] few years trying every [illegible] to get my ideas proper[illegible] factured and tested. M[illegible] tions are still neither [illegible] nor disproved by a[illegible] pendent credible [illegible] Requests have been [illegible] through my MP and [illegible] written to Mrs Thatche[illegible] no avail. I have now [illegible] the point where I [illegible] longer maintain my pa[illegible]

I would like to see [illegible] deal worked out for pr[illegible] ventors, as my story [illegible] which is repeated a [illegible] times over in all part[illegible] country.

Yours faithfully,
M. E. A. PASSMORE,
Mount Pleasant,
Chiseldon,
Wiltshire SN4 0NA.
November 26.

BY THE FINANCIAL EDITOR

Speculators in gold

l continues to delight its supporters. r nudging record levels yesterday, it ed at $432.25, up $16.50 over the week- Many of the metal's advocates expect price to reach $500 before the end of the

eir thinking is familiar. Chaos in Iran, the danger of repercussions elsewhere ie Middle East, a sharp oil price rise in the month, persistent currency bility, particularly in the dollar, are ved to demonstrate gold's attractiveness hedge.

t not everyone in the market shares view. There is a contrary argument that is fundamentally overvalued and that ent price rises are caused by speculation few big investors.

normal times, fabricators account for of demand. Of total gold supply in of 1,741 tons, manufacturers took 1,552

t fabricators have almost left the con- orary market, preferring to use up s. At the same time, dealers report y interest in coins and small gold bars, h not enough significantly to move rice.

s, then, is almost wholly a speculators' et. But it only needs a few of them in rket as volatile as the present one to ate sharp swings in the price. And as as these major buyers are pessimistic will go on forcing the price up,

etary policy

ubts in erica

ican economists meanwhile have begun estion whether the apparent policy val implicit in the Volcker package of er 6 is quite as revolutionary as it ly seemed. On the face of it, the ge suggested a fundamental change in d States monetary management.

Federal Reserve Boards appeared to abandoned any attempt at controlling st rates. Or had it? Now that the es of the crucial Federal Open Mar- Committee meeting which determined ckage have been published, it is far clear that the Fed has, after all, ed its strategy in quite such a radical r.

old policy was to determine what of interest rates was compatible with sired rate of monetary growth and o supply the market with the neces- ank reserves to sustain that level of st rates. The key Federal funds rate raised or lowered depending on er the monetary aggregates were r undershooting targets.

ker appeared to have thrown all way. The new policy was to deter- what volume of bank reserves was tible with the monetary objectives ien to supply that level of reserves. st rates would be left to sort them- out on the basis of the resultant t forces. United States economists delighted and the dollar duly ded.

it appears that one of the Fed's ons was simply to administer a sharp to the market, as a means of dampen- edit demand and slowing the economy. emphasis on reserve control was meant to be as rigorous as the mar- elieved. The reluctance of the Fed to what measure of reserves it is watch- st closely is being taken as confirma- this. Moreover, now that two months lapsed since the package it can be that monetary growth, although iting, is by no means in a vicious e. And Mr Volcker's indication that ry policy might be relaxed to ac- date further oil price increases is more questions about how committed t money the authorities really are.

industries

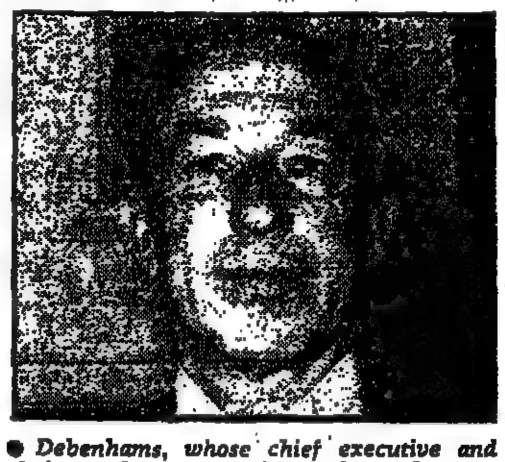
tical ities

ie ways the report which the Con- ' Association has just produced on counting policies of the nationalized ies is a very odd document. It com- in about equal proportions, City m and consumerist fervour; and the sult is on the one hand a damning ient of past and present inconsist- in the public sector; and on the a programme for amendment which to put it mildly, to be politically Still, out of the mouths of babes cklings. . . .

of the mouth of this particular suckling, in the formidable person of Mr Martin Gibbs of Phillips and Drew, comes a survey of the accounting policies of eight nationalized industries which indicates: first, that in the amount of information disclosed, the accounts of nationalized industries are no worse, and in some respects much better, than their counterparts in the private sector; second, that they have been changed at exceedingly frequent intervals in recent years, but almost always in ways quite acceptable under the accounting practices then current; third, that those changes (which centre on depreciation policy and adjustments for inflation) have very frequently had the effect of smoothing down excessive returns on the one hand, and bolstering up inadequate returns on the other; and fourth, that returns in general, on both historic cost and inflation-adjusted bases, have been pathetic in comparison with those of the private sector.

There are problems to the findings contained in the report, on content and intent. For content there is the fact that, as the authors of the report themselves admit, true comparability is impossible to achieve:

For example, attempts to adduce CCA figures for the eight industries concerned are hampered by the subjective element in the CCA approach. More serious in the end, however, is the fact that the report's principal recommendation—that the nationalized industries should lead the way in the introduction of CCA, in the interests of comparability—as almost certain to founder. There are too many political factors involved in the presentation of the profits of nationalized industries!



● *Debenhams, whose chief executive and chairman-designate is Mr Robert Thornton (above), had reduced gearing to around a third at the last balance sheet, and the position has apparently remained stable since then.*

Nevertheless, an uncomfortable slice of Debenhams's debt is short-term. Hence part of the reason for the sale of the Caters supermarket business to Cavenham which will yield some £14.5m, and the negotiations to sell the Harvey Nicholls site in Knightsbridge which could well bring in over £20m. These two together would reduce unsecured borrowings, which stood at £51m at the last balance sheet, by two thirds—and there is a trading point, too, since Caters is losing money (although Debenhams won't say how much) at the hands of the large price-cutters in the supermarket business.

Ladbroke

Bad for the sector

Ladbroke's failure at appeal to retain its London casino licences marks the fall from grace of a company which only a year ago was being referred to as the leisure sector's "blue chip".

On a straight forward valuation Ladbroke's shares are arguably relatively cheap. Helped by current year casino profits, this year's pre-tax profit could be about £48m. Next year profits from property, bookmaking, and other operations could range from about £25m to £30m

This would point to a p/e ratio of only around 5 and maintainable yield of over 12 per cent.

These calculations, however, are unlikely to staunch selling pressure, particularly from institutional fund managers, in the face of what amounts to a loss of credibility.

What is more, the court decision has (justifiably or not) cast the whole gambling sector back into its old role as the somewhat tainted stockmarket sector with low-quality earnings. This must remain the case until the issues involving Coral Leisure are resolved and the Gaming Board makes its intentions clear with regard to the future structure of the gambling industry throughout Britain.

Hugh Stephenson

Siren song that should be ignored

Last week in Brussels, Lord Carrington made a speech by way of setting the general pro-European context in which the Prime Minister's distinctly anti-European tactics for the then coming Dublin summit should be put. In the course of it he made some strikingly positive noises about British participation in the European Monetary System, which in January will celebrate its first birthday in its present incarnation.

We intend to join the EMS as soon as conditions permit and as soon as the implications for sterling of being a petro-currency are clear, he said. The clear implication was that we are now closer than ever to joining the system.

Conventionally speaking, it has in the past been for Chancellors of the Exchequer to make important statements about exchange rate policy. The fact that the Foreign Secretary should thus venture into this field should, therefore, be taken as evidence that something is afoot; or at least that the Foreign Office has recovered its nerve about policy in this area after its advice was comprehensively rejected this time last year, when Mr Callaghan declined to join the EMS party.

As an ex-diplomat no one has greater admiration than I for the skill and professional quality of the Foreign Office. The European Monetary System, however, has been a consistent institutional blind spot so far as that organization is concerned.

No one is in favour of unnecessary demarcation disputes. There is doubtless a case for Sir Geoffrey Howe making speeches about industrial relations as well as Mr Jim Prior. But the exchange rate is one area where the Cabinet would do best to heed the advice of the Treasury and the Bank of England.

Politicians and diplomats connected with Europe have had the EMS blind-spot ever since the EEC summit meeting at The Hague in 1969 with Chancellor Brandt in the chair. The notion has been that, since it proves difficult to advance the Community beyond being a mere common market in difficult areas like foreign policy, the EEC Parliament, defence, pollution control, energy policy and the like, the clever, easy way forward is to make a leap in the dark towards monetary union.

The fact is somehow ignored that time and again it has been proved that monetary union, if it is to work, requires a degree of diminution of national sovereignty that is quite unacceptable politically. Why foreign offices should think that governments are prepared to reduce their control over their own economies in these important areas when they are not even prepared gracefully to concede powers to an elected European Parliament is genuinely perplexing.

Of late the argument has been advanced that in its first year the EMS has not done as badly as sceptics predicted. The argument is a little less strong since the devaluation of the Danish krone last week.

But, in any case, it is rather like saying that a pair of Siamese twins have done much better in their first year than anyone expected. That is to say, it is true in so far as it goes, but not much further.

The danger latent in the Foreign Secretary's speech is that between now and the next EEC summit in February the subject of our entry into the EMS will become a negotiating token to be placed alongside and traded with items like offset for the foreign exchange costs of the British Army on the Rhine, or French concessions on sheepmeat or British concessions an fishing policy. It is the habit in the chanceries of Europe for these and other like issues to be put on one list for the great horse-trading session.

Mrs Thatcher is clearly determined to reduce our net EEC budget contribution of some £1,000m. It might be tempting to some to see the damage that the process of this negotiation will undoubtedly do to our relations with other EEC members being sweetened by a promise to join the EMS. It would be an odd conjuncture.

Odder still for a government as strongly committed as this one to a policy of monetarism in one country. For all the lessons of the period since Mr Barber was Chancellor and floated the pound out of the then EMS experiment, are that a rigid domestic policy for control of the money supply cannot long be combined with a fixed exchange rate.

In phases where the pound is strong there comes the point where the sale of sterling by the Bank of England to hold the currency down in line with its fixed parity causes the domestic money supply to expand out of control.

It this is what Lord Carrington understands by his reference to the implications of sterling being a petro-currency, then his reservation is sufficient to ensure that we shall not join the EMS in the foreseeable future. This, however, was not the impression that he left with his audience.

Mrs Thatcher's government is determined to bring inflation under control by making the pound a strong currency supported as long as necessary by high interest rates. So long as that battle is in progress she would be most unwise to heed the siren voices of the EMS.

Keynesians and monetarists-are they really poles apart?

The monetarists are having a field day. In country after country, the Chancellor of the Exchequer (or his equivalent) seems to be jumping up and declaring to the world his complete and recent conversion to the monetarist faith.

It would all be more convincing if people in similar positions had not agreed that "we are all Keynesians now" some two decades ago. The situation is not so simple as it would appear, and there seems a good chance that the baby (growth) is being thrown out with the Keynesian bathwater.

The monetarist statement, that increases in the money supply are "everywhere and always" at the root of the inflationary process, seems to ignore the possibility that such money supply increases may sometimes also be at the root of economic growth.

In Japan, for instance, one index of the money supply increased by almost 18 per cent in 1973, nominal gross national product (GNP) increased by 16.4 per cent and real GNP by 10.7 per cent. Japan experienced only a 5.5 per cent rise in the consumer price index in 1973 — and the increase in money supply, therefore, produced more growth than inflation.

The money supply in Britain (however defined) may possibly increase by 18 per cent or so in 1979, but you may safely bet your rapidly depreciating pound that economic growth in Britain (assuming some occurs) will be a small fraction of this retail price index inflation rate.

Similar increases in money supply may well lead to a greatly different growth and inflation outcome: to explain this, by assuming different underlying trend improvements in national economic growth rates, ignores the challenge of attempting to understand what is actually going on.

Both Keynesians and monetarists believe that the money supply is important, but they hold this belief for different reasons. Keynesians generally believe that a high rate of increase in money supply will drive interest rates down, producing an investment boom and subsequent growth.

Monetarists, on the other hand, believe that a high rate of increase of money supply will only spur demand and stoke inflation.

Extremes

Keynes, in his "Law of Effective Demand", postulated that increased demand (at least in the depression situation which was his touchstone) would create its own supply; the leading monetarist Friedman seems to go to the opposite extreme, postulating that increases in demand are wholly inflationary.

But does it not depend on circumstances? Does it not specifically depend upon what the financial and credit system does with the increase in money supply? If the banking system is organized to extend credit increases to industry as investment credit, as in Japan, then are not the Keynesians the more correct?

And if the financial credit system principally channels new funds to housing loans, consumer credit, the purchase of pre-existing assets (via say paper sales to pension funds on the secondary stock market) and short-term industrial finance, as in Britain, then are not the monetarists the more correct?

If the financial system is organized to supply a great deal of cheap long-term industrial investment credit, then a country receives higher investment and growth when money supply expands.

On the other hand, if the financial system channels most of savings finance to short-term consumption, then more inflation seems inherently likely. You prints your money and you gets no choice, but you do get the result your financial system is organized to produce.

By taking into account the operation of the credit system it is possible to develop a general theory of money, growth and inflation, within which Keynesianism and monetarism are but two extreme and special cases. It is not surprising that this can be done, but it surprises us that it has not apparently been done before.

Within that theory there are some clever variations of the system. In Japan, for instance, virtually unlimited industrial funds are available at an average repayment rate equal to the interest rate.

The Bank of Japan "supports" investment credit banks by giving them money to lend and by discounting loan bonds, so the big banks "overloan", that is, lend out *more* than their total real deposits. This solves many problems, for if the public are not the original source of funds then they cannot so easily cause a liquidity crisis by taking their money out of the banks.

Since the Bank of Japan (except in 1973) keeps the interest rate nearly equal to the inflation rate, it has to supply funds to meet the demand for them. Businessmen, for their part, discover two things; first, that borrowed money is a counterpart of real resources because the consequence of the equality of the interest rate and the inflation rate is that the annual repayment is equal to the fall in the value of the borrowed money and the real value of the borrowed money is ultimately repaid.

Cash flow

So businessmen do not find it advantageous to borrow unless they can create real wealth in excess of the amount borrowed, and second, there are many opportunities for making money on projects earning a cash-flow over the interest rate of (say) 10 per cent pa.

Meanwhile, in Britain, businessmen discover they cannot make money on bank loans averaging about two years duration at (say) 17 per cent. Few projects earn the repayment cash-flow of over 60 per cent pa.

To quote the unintentionally ironical CBI statement to the Wilson committee: "There is no shortage of investment finance, only a shortage of viable projects." (Why not loan the funds for 24 hours? Then there would be no loan-funded viable investment projects in Britain and an even bigger surplus of finance!)

Also in Britain, the *rule* of monetarism—an inverse Keynesian demand management attempting to hold demand down (via money supply restrictions) to the level of output—is applied to an industrially collapsing economy. British politicians and economists seemed to have jumped from the demand management into the monetarist fire of money supply control.

The former theory expanded demand, the latter theory limits demand, but neither assists growth by a great deal. A policy of supply expansion and the cheapening of investment credit seems not to be considered, for the British do not appear to understand their economic situation.

Yet a better economic understanding may come, albeit slowly. Britain need not decline; the remedy seems obvious, and truth, however often turned away, will ultimately triumph. For it is results that count, and there will be no industrial revival in Britain unless cheap investment funds are made available to fuel growth.

© John C. Carrington and George T. Edwards, 1979.

The authors of this article have also written Financing Industrial Investment, *Macmillan (£12).*

Flying the flag at Mossmorran

John Huxley

After two years of frustrating delays, which are estimated to have cost about £25m, work on Esso Chemical's £300m ethylene cracker at Mossmorran, Fife, has begun in earnest.

Although the project requires final shareholder approval and is still the subject of a planning appeal, Esso Chemical is sufficiently confident of the outcome to have awarded a contract for detailed design. This will involve the expenditure of between £2m and £3m over the next couple of years.

For Esso, the 500,000-tonnes-a-year plant represents a platform from which to expand business on the Continent.

But the project is also vitally important for Britain's hard-pressed heavy plant manufacturers. The Process Plant Association believes that, ultimately, investment at Mossmorran wil be more than £1,000m.

Industry leaders have been lobbying government to ensure that the lion's share of the work goes to British manufacturers, although orders probably will not be placed for at least another 18 months.

Harry Hornsby, director general of the Process Plant Association, says that the industry is determined that work should not go to foreign competitors offering to work at "unrealistic, knock-down prices".

So far, only a small proportion of orders, for equipment on the gas separation plant elsewhere on the site, have been placed. Of these, it is understood, less than two-thirds had gone to British manufacturers, a proportion which Mr Hornsby says is "less than adequate".

Mr Hornsby and his colleagues, after preliminary talks with Department of Industry officials, hope to meet Sir Keith Joseph, Secretary of State for Industry, later this month. They will tell him that what they want is no "protectionism", but a "more nationalistic approach" by British-based buyers when ordering equipment.

Plant fabricators are particularly anxious to pick up ork at Messmerran. A lack of new orders over the past two years has led to a reduction of about 27 per cent in the industry's workforce. Over the same period the rate of new orders won has dropped from £100m to £40m.

Mr Hornsby will tell Sir Keith that new orders are needed now if the industry is to bridge the gap and remain intact until the expected upsurge of capital investment in the 1980s and 1990s.

"It is known, for example, that as supplies of North Sea gas begin to run down in the 1990s there will be a need to build large-scale plant in the United Kingdom to make synthetic natural gas", says Mr Hornsby. "tI seems likely that there will be a need for some 20 plants over a period of 10 to 15 years with a capacity of 6,000 to 12,000 tons a day. The larger units would at today's prices involve investment of sombe £500m each."

"As indigenous oil and gas supplies dwindle, there will also be an even greater need for regular and planned development of nuclear-fuelled electricity generation. We must, therefore, ensure that Britain maintains and develops adequate heavy engineering resources to supply these plants in the future."

Government officials tend to share this view of the country's long-term plant needs. A recent study* by the Process Plant Economic Development Committee concluded that large amounts of process plant would be bought over the next 20 years, despite the present decline in orders.

But the report warned that because of increased competition from overseas, including developing countries, where wages and material costs are lower, British suppliers would have to accept change and incorporate advanced technology if they wished to prosper.

How British manufacturers can be assisted in winning orders at Mossmoran, for example, is less clear to Government officials. An audacious suggestion that the granting of government aid (£60m in the case of Mossmorran) should be made conditional on buyers giving orders to British companies has been promptly — and rightly — rejected, as being contrary to the Treaty of Rome.

More subtle forms of pressure are available to ministers, but they would prefer to see British companies win orders on merit.

When Esso, in conjunction with its chosen designer—and almost certainly main contractor—Lummus, comes to order equipment, it will do so on the criteria of price, quality and delivery, company sources say.

So whatever the outcome of its discussions with Sir Keith, the industry recognizes that its salesmanship must be directed towards showing that it can produce the right goods, on time and at the right price.

* *Technology prospects in the process industries*, available (free) from NEDO, Millbank Tower, Millbank, London, SW1P 4QX.

Business Diary: Ergo–an Irish wheel • England the brave

ou heard that the Irish einvented the wheel? change, this is no joke. ie American Express ation has been ed enough to award a cash prize to the ment.

Irishmen—two account- civil engineer and a ng consultant from —have taken the top n the British Junior r of Commerce export ment competition, spon- by American Express. roduct is a new type of trolley wheel whose bend to absorb bumps loor.

McKormick, the market- , says it is "the biggest rough" in wheel design ong time. The product, called Ergo-wheel, has ar applications for hos- rolleys and there are ities for use in airports ermarkets.

group claims that to the same smoothness of trolley would have to be d with more expensive e suspension or pneuma- s.

ell as the cash prize, the low has the opportunity otiate with American for the use of up to in long-term capital or to exploit their inven- new company is planned ere are high hopes for the wheel in Europe and ted States.

● Where were you at precisely 8.45 am, 21 years ago today. Well, if you lived in London you would, if you had any sense, still be in bed reading *The Times*. There was an absolute stinker of a fog outside, which those of you with memories which stretch back that far will remember made getting to work a virtual impossibility.

But some men are made of sterner stuff. One such was Glyn England, now chairman of the Central Electricity Generating Board, but in those days the head of a small group in the board which studied environmental problems.

According to an article in the forthcoming edition of *Clean Air*—clearly a magazine which will become essential reading for contemporary historians—Mr England was taking off in a Dakota aircraft to undertake some observations for a clean air project.

I can only say that if I had been Mr England I would have made a bee-line for home as soon as I heard the name of the man who was to be flying the plane—the only aircraft incidentally to take off or land at London airport that day.

I mean . . . How would you like to fly off into a pea-souper with a man called Captain Hazard?

● Taking the biscuit yesterday as Hambro Businessman of the Year was Sir Hector Laing. Among other things, Sir Hector, who is chairman of United Biscuits was cited for his "tireless commitment" to communication and for breaking down barriers between management and shopfloor workers.

Although the award is made for general services to the business community and the country, over an indefinite period, most of those present at the award luncheon will have been aware of Sir Hector's lonely stance on secondary picketing last spring. He was the first employer to take out an injunction against pickets during the lorry driver's strike "as a blow for freedom and sanity".

Sir Hector Laing, with the Hambro Businessman of the Year trophy yesterday.

Like his chivalrous namesake, Sir Hector is prepared to fight for the causes he believes in; one of them is management discipline and leadership. He continued this theme in his acceptance speech at the presentation lunch, saying that "one of management's most urgent tasks is to change attitudes to the creation of wealth".

A firm believer in employee share-ownership schemes, Sir Hector said he would like to see the principle extended to enfranchising workers who do not wish to buy shares so that they become involved in some of the responsibilities carried only by shareholders.

● Transcendental meditation strikes again. Seven industrial managers and technologists are learning about it this week in a bid to combat the effects of stress at work. Each day of a week-long course being organized by the Cranfield Institute of Technology, delegates will have a special TM session and attend a one-day conference on Thursday at Cranfield and Mentmore Towers, headquarters of the Maharishi European Research University.

As Cranfield puts it, individuals are the "intervening variables" between whatever causes stress and stress diseases and TM is seen as a practical way of helping people to cope with the turmoil of their working lives.

In my case what causes stress is hearing academics use jargon like "intervening variables". Perhaps I need a course in TM.

● National Westminster staff, looking forward to moving into their new home, in the shiny tower dominating the City skyline at Bishopsgate, will have to wait a little longer.

There have been pickets outside the site for the past month as a result of an electrical subcontractors' dispute. But the principal problems lie with the contractors Mowlem who can still not provide a date for handing the building over.

NatWest had been hoping to start moving its fast expanding international banking division sometime this year according to chairman Robin Leigh-Pemberton writing in last year's annual report.

Through thick and thin the bank has insisted that the tower has been worth every penny of the £100m it has cost. But the latest delays are only going to add to the embarrassment some senior bankers in Lothbury feel about it.

● I hear that there is growing speculation among Eurocrats over the future of Jack Peel, the ever youthful former general secretary of the National Union of Dyers, Bleachers and Textile Workers.

Peel, whose right-wing views precipitated his fall from his seat on the TUC general council at a time when the brothers were displaying distinctly left-wing tendencies, found a niche for himself in Brussels. He created a considerable impression with his sartorial elegance (as befits a textile worker)

He joined the Commission as director of industrial relations but it now appears he has become an adviser in the same area—a sideways move seen by Commission watchers as a likely preliminary to a job outside the Commission. A consultancy job perhaps?

Industrial disputes have side effects these days that reach the farthest corners. When a colleague urgently wanted a 2p piece to telephone home from his local railway station yesterday he was confronted with a notice in the ticket office saying that coins were not being changed for this purpose because of a "national shortage". The Royal Mint confirmed that it is still trying to catch up with demand after the disruptions to coin production caused by the public employees' pay dispute this summer. My colleague says he hopes his wife will understand.

Malcolm Brown

FINANCIAL NEWS AND MARKET REPORTS

Stock markets

Only gold shares stand out in cheerless day

The final leg of the current three-week account got off to a slow start on the stock market yesterday, curbed by problems on the industrial front.

Dealers reported that business in equities remained quiet. The wage battle between the miners and the National Coal Board deterred investors and weekend reports of further tough action by the Government to control inflation did nothing to help.

Ranks Hovis McDougall report today annual figures. At half-time last May, the group expected a second-half downturn. However, bread prices rose in the wake of the ory Tory election victory and there have been no strikes. Market expectations of £30m for the year against £31.1m could be too cautious. Some say Ranks made £31m and perhaps usefully more. The usual uncertainties apart, Ranks seems poised for a surge to £40m or more this year. The shares are 44p.

Only gold shares managed to maintain their ascent, helped by the worsening situation in the Middle East and a bullish circular from Sheppards & Chase that pointed to gold remaining a firm spot next year. The brokers foresee nearly $500 against last night's figure of $428.

Little activity was reported in gilts early on, although some demand was experienced later following a better-than-expected performance in the Whilesale Prices Index.

By the close, longs were mostly unchanged, while shorts showed gains of between 1-16 and. Little interest was again shown in the Treasury, 15 per cent, *1985*, at *£98¾*.

After opening 0.5 down, the FT Index fell to its lowest point of the day of 2.6 at mid-day, before closing 2.2 down at 418.5.

Leading industrials were slightly lower, through lack of interest, although a better performance after-hours saw most close slightly off the bottom. **Unilever** was 6p lower at 458p, while losses of 3p were registered in **ICI** at 355p, **Pilkington Bros** (reporting this week) at 248p and **BAT's** at 248p. **Fisons** dipped 2p to 232p and **Courtaulds** shed a penny to 78p. **Beecham** were unchanged at 120p, but **Glaxo** continued to ride against the trend rising 2p to 418p.

Gold shares remained bouyant as the bullion price continued to rise an dthe gold mines' index rose 4.2 to 238.5.

St Helena gained $⅞ to $27¼ and **Kloof** put on $¼ to $22⅞. **Western Holdings** was $¾ stronger at $44¼, while elsewhere in mines, **Consolidated Gold Fields** recouped 3p of Friday's fall at 339p.

Among companies reporting, **Giltspur** fell 6p to 70p, with interim profits below expectations, and **Matthew Hall**, with a reduction in trading profit, slipped 4p to 151p. **W. E. Norton** was 3p easier at 15p and **Bremner** retreated 2p to 56p.

Weekend comment knocked **S. & W. Berisford** 11p to 156p, but it was good for an 8p rise to 136p in **Saatchi & Saatchi** after rumours of some new United States deals in the pipeline. **Stylo Shoes** gained 10p *on speculation that Combined* English Stores was about to bid and **K. Shoes** rose 4p to 63p.

Favourable comment was good for 4p rise in **Baggeridge Brick** and bid speculation hardened **LRC International** a penny to 27p.

News that **Ladbroke** had failed in its appeal to win back its gaming licence left the shares 3p easier at 139p, but **Coral Leisure** seemed unperturbed, rising 2p to 62p.

The failure of the London conference to gain a ceasefire in Rhodesia, left Rhodesian bonds looking weaker, with losses of £5 in Southern Rhodesia 2½ per cent, 65-70, at £112. Southern Rhodesia 4½ per cent at £95 and Southern Rhodesia 6 per cent at £139.

On the bid front **Montfort (Knitting)** improved 6p to 89p on the improved terms from **David Dixon** which fell 6p to 110p. Shares in **Whessoe** were suspended at 140p pending a further announcement, with shareholders wondering if this could finally be the news that

Rothschild Investment Trust has sufficient faith in Lep Group to buy a further 18,000 shares. This brings its total holding up to 1,451,492 shares or 20.7 per cent of the group. RIT can now consolidate Lep profits. The news at half-time was that profits in the first six months had grown usefully (from £1.95m to £2.44m) and that since then business had been satisfactory. The shares are 260p.

Costain 2p down at 142p is now ready to make a bid. However, some observers do not rule out the possibility of an interested third party with the figure of 180p a share being mentioned in some circles. **EMI** shed 2p to 131p but **Thorn** improved by the same amount to 314p. **GEC** was a penny firmer at 340p but **Averys** remained unchanged at 261p. **Dawnay Day** continued t olose ground sliding 1p to 61p following the lack of faith in **Britannia Arrow**, unchanged at 19½p, to make a counter to the unconditional bid from Rothschild of 60p.

Racal proved to be a nervous feature of the electrical sector, falling 5p to 219p ahead of interim figures later in the week. **Muirhead** were also weak following the decision to delay publication of its results until January, with the shares falling 12p to 246p. **Plessey** were also nervous ahead of today's second-quarter statement and shed 2p to 107p

Equity turnover on November 30 was £149.691m (12,612 bargains). Active tocks yesterday, according to the Exchange Telegraph, were BP "New", Consolidated Gold Fields, BP, Lasmo, Saatchi & Saatchi, Racal, Barclays Bank, Midland Bank, Shell, Spillers, Coral Leisure BAT's.

Latest results

Company Int or Fin	Sales £m	Profits £m	Earnings per share	Div pence	Pay date	Year's total
Atkins Bros (I)	5.2(4.9)	0.26(0.18)	—(—)	1.75(1.37)	—	—(—)
Brebner & Co (I)	—(—)	0.21(0.20)	—(—)	1.15(1.1)	24/1	—(—)
Gietspur (I)	47.8(40.8)	2.1(2.0)	—(—)	1.5(1.2)	11/2	—(3.5)
Marshalls (Halfx) (I)	16.6(14.5)	1.6(1.3)	20.05(17.16)	2.0(1.5)	31/3	—(—)
Marlborough Prop (I)	—(—)	0.61(0.48)	0.54(—)	—(—)	—	—(—)
Talben Grp (F)	15.1(11.1)	0.13a(0.57)	0.10a(2.77)	Nil(—)	—	—(—)
W. E. Norton (I)	8.0(6.9)	0.06a(0.23)	—(—)	0.4(0.39)	4/1	—(—)
W. Leway Watson (I)	6.5(7.08)	0.219(0.421)	0.82(1.75)	0.45(0.45)		—(—)

Dividends in this table are shown net of tax on pence per share. Elsewhere in Business News dividends are shown on a gross basis. To establish gross multiply the net dividend by 1.428. Profits are shown pre-tax and earnings are net. a loss.

Slower going at Giltspur

By Our Financial Staff

Financing investment out of cash flow has put a brake on three years of spectacular profits growth at Mr Maxwell Joseph's industrial services group, Giltspur.

In the six months to September 30, 1979, pre-tax profits rose £116,000 to £2.1m on turnover up from £40.8m to £47.8m.

The international exhibition and display services subsidiary, Expo, again made the largest contribution, of £941,000, but this was slightly down on the first half of last year. However Mr Thomas Harker, group managing director explained that some £500,000 had been used to finance the United Kingdom and American expansion.

The benefits from this are unlikely to come through in the current period but they ought to boost profits next year.

The engineering division increased its contribution by almost 50 per cent to £498,000 despite the impact of the strike, which hit other divisions, such as freight and motors, harder.

Mr Maxwell Joseph, chairman of Giltspur.

The packing and packaging side, which comes into the freight division, is involved in the exporting of engineering products. It saw a hiccup in orders as a result of the disruption. The freight side, however, is recovering from last year's downturn and increased its pre-tax profit in the six months from a previous £350,000 to £504,000.

The motor distribution activities, based on BL cars and trucks, saw some difficulties over supplies and profits slipped from a previous £775,000 to £589,000. The rationalization programme in this division is likely to take 18 months to put it right.

Despite the capital expenditure of the first half, borrowings have been reduced, and Mr Harker reports that, with the increased interest rates, the group will try to reduce borrowings still further by the year end.

The interim dividend rises from 1.79p to 2.14p to reduce disparity and the directors point out that the 25 per cent rise is not indicative of the full year increase.

Gold bars over-the-counter

From this morning, branches of the Standard Chartered Bank will be selling gold bullion over the counter

The move follows strong demand for bullion in the Far East where the bank's Hongkong and Singapore branches have been selling gold for nearly a year. But sales in the United Kingdom were made possible by the abolition of exchange controls.

Gold's spetacular rise this year, and investors' continuing fears about inflation and currency instability, seem to assure Standard Chartered of a market. A spokesman said last night, however, that branches would not be carrying "massive stocks". A rush is not anticipated.

The bars will be available in five, 10, 20, and 50 grammes weights of 24 carat gold. They will be made by Mocatta of Goldsmid, a member of the exclusive London Gold Market and a subsidiary of Standard Chartered.

Mocatta & Goldsmid will set the price of the bars every morning. Equally important, Standard Chartered is proposing to make a market in the bullion by offering to repurchase bars, provided they are intact. At prevailing prices a five gramme bar, which has proved popular as jewelry, will cost about £40.

Matthew Hall in 10pc advance

By Our Financial Staff

Hit by transport and engineering strikes, which cost the group around 500,000, oil and chemical engineers Matthew Hall did reasonably well to raise nine month profits by 10 per cent in the period to September 30, 1979.

At the pre-tax level, profits rose from £4.8m to 5.4m. However, stripping out a bigger interest credit of £2m, against £1.3m, trading profits slipped from 3.6m to £3.4m.

Sir Rupert Speir, chairman, reports that the industrial disputes and the bad winter delayed the start of several contracts and he admits that the outcome for the full year remains uncertain. However, with less than a month still to go, it looks likely that year's profits will show a similar rise to the first nine months. If so, they will take the final figure, from a 1978 total of £7.1m, to £7.8m.

Despite a good showing from mechanical services, the electrical, instrument and northern plumbing subsidiaries did not make the expected recovery. The contribution from this division fell by over a quarter to £1.3m.

By contrast, oil, and chemical engineering improved from a previous 1.8m to £2m. However, new subsidiaries have been set up in Houston and Singapore and the start up costs of these compaines will depress earnings this year.

For shareholders there is 20 per cent dividend of 2.35p, which would have equalled 3.52p before the one for two scrip issue. There is also a further 0.252p net per share which results from the change in tax level after last year's final was announced. The shares fell 4p to 151p.

Thyssen world and domestic output up

Thyssen, the German steel and engineering group, said its world and domestic groups increased production and turnover in most sectors during the year to September 30. The steel sector started well despite losses during last winter's pay conflict, but production was only slightly above the 1977-78 level.

However, proceeds from steel sales were gradually improved, enabling the company to increase turnover by seven per cent to Dm7,800m (£2,060m) and turnover in stainless steel by 15 per cent to Dm2,800m.

Thyssen said in several sectors a valid comparison of turnover with the previous financial year is difficult because of foreign exchange movements.

In the domestic steel division fixed-asset investments totalled Dm587m in the past year, while investments in the stainless steel division were Dm76m.

In the capital investment goods sector turnover was little changed at Dm8,400m.—Reuter.

Dixon-Montfort: Panel steps in

By Alison Mitchell

The Take-Over Panel has stepped in to try to clarify the confusing David Dixon bid for Montfort (Knitting Mills).

Simultaniously with Dixon raising its cash and share offer to an equivalent 89p per share yesterday, a buyer appeared in the market to mop up any shares coming on offer at around 90p.

Palma Textile Group, owned by Mr Peter Bailey has a 12 per cent stake in Montfort but Mr Bailey would not comment last night on whether or not it was his group which was doing the buying.

Today e will probably not have the same choice for he has been summoned to see the Take-Over Panel about the dealings.

Dixon's advisors, Barclays Merchant Bank, has already seen the Panel.

The dispute between Dixons and Palma centres on Rule 37 of the Takeover Code which states that anyone with a commercial interest in the outcome of an offer must consult the Panel in advance, over dealings in the market, and show that the action is not prejudicial to the shareholders' interest. A decision from the panel is expected tomorrow.

The terms of the increased offer are one Dixon ordinary share plus 426p in cash for every six Montford shares.

The Montford board last night rejected the new offer, describing it as "grossly inadequate" and urged shareholders not to accept.

David Dixon & Son (Leeds), a subsidiary of the Dixon Holding company, yesterday announced half-year results to September 30, 1979. Pre-tax profits in the period were down from £120,000 to £88,000 on a maintained turnover of £1.4m. The company was hit by the bankruptcy of a supplier but Mr Harry Turpin, chairman, reports that production is now back to normal. The second half-year will show a better result.

Dixons shares yesterday fell 6p to 110p while Montford's rose by a similar amount to 89p.

Concentric may bid for Samuel Groves

Concentric, the West Midlands-based group which makes control equipment, valves and pumps, etc, is having talks with Samuel Groves and Co, which may lead to Concentric making an offer for Groves. The price is expected to be about £1.1m. Groves is a leading United Kingdom manufacturer of aluminium and stainless steel utensils for the hotel and catering industries.

In the year to September 30, 1978, Concentric made a pre-tax profit of £1.51m, against £2.45m in the previous 12 months, on sales of £33.23m, compared with £31.54m. Concentric's board is being advised by Robert Fleming and Groves' advisers are N. M. Rothschild.

Fairbairn may sell Greenbat offshoot

The board of Fairbairn Lawson has reached agreement for the disposal of its subsidiary, Greenbat, subject to shareholders' approval. Details of the disposal together with the 1978 annual report and accounts and the 1979 interim statement will be sent to shareholders as soon as possible. Notice will also be given to shareholders to re-convene the annual general meeting, adjourned from August 31 1979, and convene an extraordinary general meeting for shareholders to approve the disposal of Greenbat.

NSS's £3m takeover in cash-and-carry

NSS Newsagents has agreed to buy Ian Yates Ltd for £3.16m, plus the value at February 29 next of net current assets and of certain listed securities; the price will be be subject to adjustment if changes in capital gains legislation result from the 1980 budget. Yates are a wholesale cash-and-carry business in the confectionery and tobacco field with headquarters in Manchester. The price will be satisfied by the issue by NSS of loan notes.

Tarmac moves out of West Germany

Tarmac has disposed of the remainder of its West German business to local German interests for about £5m in cash. The group no longer has any trading activities in Germany.

Tarmac has made losses in Germany recently and started pulling out of that market last year. Earlier this year, Tarmac reported that its international construction side had gone through a year of "harsh readjustment to the changes in its main Middle East markets.

Talbex tumbles into losses

In spite of the Talbex Group's turnover expanding by nearly 36 per cent to £15.1m, a pre-tax loss of £131,000 was suffered in the year to July 31 last, against a profit of £573,000 last time. The board is continuing with its recovery programme and until the effects of the Government's economic policy and of Talbex's own plans are more evident, it considers it in the best interests of the group not to decrease liquid resources. So, there is no dividend, against 0.82p gross last year. The first-quarter's profits are "considerably" higher than last time.

IMI to link with US vending company

An agreement has been reached, subject to Government and other necessary approvals, between IMI and the Cornelius Company of Minnesota, United States, to form a joint organization in Europe, which will be owned equally by the parties, in the beverage dispense and vending business area. The joint organization, IMI Cornelius, will comprise the present IMI subsidiary companies, IMI Paxman and Redditch Controls, together with all of the Cornelius subsidiary companies in Europe. In addition to the contribution of the IMI subsidiaries to the joint organization, IMI will make a cash payment to Cornelius of $2.3m (about £1m). The annual turnover of the joint organization is currently about £20m.

Marshalls (Halifax) doing well

Lifting pre-tax profits for the half-year to September 30 by 24 per cent to £1.62m, Marshalls (Halifax) is boosting the interim dividend from 2.23p to 2.85p gross. "The group continues to perform strongly", declares Mr David Marshall, the chairman, "and I am sure that the profit for the full year will compare favourably with last year".

Pre-tax profits for 1978-79 reached a record £2.66m. The group has identified new profit opportunities, some requiring additional capital expenditure and this was £1.3m higher than for the similar period last year. Turnover was up from £14.58m to £16.67m.

Briefly

NORMAN HAY
Mr Norman Hay, the founder, chairman and joint managing director of Norman Hay, has died after a long illness. Mr L. F. Titcumb continues to exercise the responsibilities of managing

WESTPOOL INVESTMENT
Revenue for half-year to October 31 after interest and expenses, £365,000 (£240,000).

CRAMPHORN
With sales up 15 per cent to just short of £8m and expenses contained at an increase of 15 per cent Cramphorn reports a rise in net profit of £48,561 to a record £270,569 for the 53 weeks ended July 7, 1979. The directors recommend an increase in the dividend of 1.5p per share, making a total distribution of 16.5p for the year.

SCOTTISH LIFE ASSURANCE
Scottish Life Assurance has improved its immediate annuity rates as from November 23. Revisions apply also to vesting self-employed and occupational scheme plans. Under the company's Personal Pension Bond with profits, benefits for an annual premium of £500 payable by a male life aged between 44½ and 45 taking his pension at age 65 would be: tax free cash of £11,982 and a pension of £3,455.76 per annum payable monthly in advance for five years certain and life.

WINCHESTER LONDON TRUST
Offer made on behalf of Messrs Jack Gardner and Montague Fisher closed on November 30. Acceptances have been received in respect of 1.90m shares (68.4 per cent). Offerors now control 68.97 per cent of the issued share capital of WLT.

WHEWAY WATSON
Turnover for half-year to September 29, £6.55m (£7.08m). Pre-tax profit down from £421,000 to £219,000. Board reports that if year's results are as expected, year's dividend will be raised by 12½ per cent.

ANTOFAGASTA RAIL
Board of Antofagasta (Chili) and Bolivia Railway advising stockholders that offers by Turismo E Inmobiliaria Bio-Bio of 50p for each preference share and 41p for each ordinary are reasonable.

WEST OF ENGLAND TRUST
Company is to purchase Hart and Co (City Road) for £375,000 cash plus value of Harts net tangible assets to be ascertained at December 31 When purchase will be completed. Hart is a company registration, company secretarial and law agent.

ARMITAGE SHANKS GROUP
Ceramics Investment of the Netherlands has acquired 30,000 shares bringing total holding to 6.332m shares (20.11 per cent).

UNIGATE MANCHESTER DEAL
Unigate has acquired, for an undisclosed sum, business and assets at Trafford Park Road, Manchester, of Springfield Transport and Warehousing Group, a subsidiary of Williams Hudson Group.

J. F. NASH—RELIANT MTR
J. F. Nash Securities has received acceptances in respect of 4.477m Reliant shares (76.9 per cent of those not already owned), and 84,963 Reliant preference (85.0 per cent). The offer has gone unconditional.

Options

The subdued tone of the equity market was reflected among the traded options market yesterday where dealers reported conditions as being on the quiet side. The total number of contracts reached 346 compared with Fridays figure of 375.

Conditions among the traditional options were also quiet. Oils continued to figure prominently among shares dealt with calls being made in Premier Oil, Ultramar and KCA International. Doubles were completed in Cons Gold, Howard & Wyndham "A" and Stylo Shoe.

ESTATES & AGENCY
Jewelbond's offer for ordinary capital of Estates and Agency Holdings not already owned by associates of Jewelbond accepted for 3,200 shares (0.2 per cent). Offer now closed.

RETAIL SALES

The following are the seasonally adjusted figures for the volume of retail sales and value of new instalment credit released by the Department of Trade.

	Sales by volume 1970=100	Percentage change latest 3 months on previous 3 months at annual rate	New credit extd £m
1978			
Oct	110.2	4.5	515
Nov	110.5	−1.1	588
Dec	113.8	2.6	501
1979			
Jan	109.6	2.9	525
Feb	110.4	4.4	532
March	110.8	−4.2	526
April	115.4	3.6	586
May	113.5	7.0	622
June	120.3	24.0	680
July	108.7	6.9	630
Aug	111.5	1.1	654
Sept	110.0	−2.0	616r
Oct	111.4	−10.8	664

r revised

WHOLESALE PRICES

The following are the indices (1975=100) of wholesale prices of manufactured goods and the basic materials and fuels purchased by manufacturing industry released by the Department of Industry yesterday.

	Output prices (home sales) (1)	Price of materials and fuels (2)	% change on previous 6 months at annual rate (1)	(2)
1978				
Nov	157.1	147.3	7.0	0.7
Dec	158.3	148.3	7.5	1.8
1979				
Jan	160.0	150.8	8.2	7.0
Feb	161.7	152.2	9.1	11.4
March	163.2	153.5	9.9	12.4
April	165.5	158.4	11.7	18.2
May	167.7	161.0	14.0	19.5
June	170.9	164.6	16.6	23.2
July	174.8	165.4	19.4	20.3
Aug	176.3	166.5	18.9	17.7
Sept	178.2	169.7	19.2	22.2
Oct r	180.3	175.7	18.7	23.0
Nov p	181.4	178.0	17.0	22.2

r revised
p provisional

FINANCIAL NEWS AND MARKET REPORTS

Business appointments

Three to join board of Spillers

Hon J. Andrew Turner, chairman and chief executive of Dalgety, Mr G. Pryce, managing director of Dalgety UK, and Mr Maurice ..., deputy managing director of Dalgety UK, have been appointed to the board of Spillers.

Mr ... V. Perry is joining the board of Flexello Castors and ...

Mr ... G. Hogg has been made deputy chairman of Hogg ... Group.

Mr J. M. Thornton has become a director of J. and J. ... Mr R. D. Field has been appointed a non-executive director of the company.

Mr Timothy P. Noble, a deputy managing director, has been made managing director of Lyle ... to succeed Mr Herbert Walkinshaw. Mr Brian B. ..., company secretary, is to be financial director. Mr Walkinshaw will continue as chairman.

Mr John Elsden has been appointed managing director of ... Business Systems. He succeeds Mr John Blagden, who has become deputy chairman and director of THI Group.

International

...ver

... of Nigeria, in which ... through UAC International has a 40 per cent ..., has published a prospectus for an issue of £20m ... per cent unsecured redeemable debenture stock 1994 as part of its long-term financing. The prospectus includes a forecast of pre-tax profits for the year ended September 30 of not less than £35m against ...

The directors say this estimated figure quantifies the effect on ... Nigeria of the difficult ... and business conditions in Nigeria. The forecast would result in a contribution from UACN to Unilever's 1979 pre-tax results of ... against £30m, a reduction reflected in Unilever's ... quarter results announced ... month.

...alis order

Koninklijke Bos Kalis Westminster Group said its operating company received a 300m ... order from the East African state of Djibouti to build a town.

The order includes the construction of a factory in early ... which will produce 5,000 prefabricated houses, and the setting up of services such as power, water and roads.

Bonds

PORTUGUESE BANK, Banco ... of Portugal, is raising ... through a nine-year credit. Lead-managed by ... Bank SA Luxembourg, the credit has an interest margin of ¾ per cent over London Interbank offered rate (Libor) throughout.

ARGENTINA: A $250m Eurocredit for the Republic of Argentina is currently under discussion. Likely terms for the credit include a six-year life and an interest rate margin of ... per cent above London Interbank offered rates.

EEC BOND: In Brussels ... million European unit ... at 9¼ per cent 15-year ... Quebec Province managed by Kredietbank International Group is on offer until ... 17.

FRIDAY Westdeutsche Landesbank Girozentrale expects to announce terms of ... Eurobond.

Promoting greater understanding of commodity contracts

A conference on contracts and law, organized recently by the Grain and Feed Trade Association (Gafta), had as its main objects to provide a forum in which to consider the law as it applies to commodity contracts; to promote a greater understanding of international commodity contracts including those of Gafta and to promote understanding of the effects of recent and pending changes in legislation.

In a paper on the general law of contract, Professor A. G. Guest, Professor of English Law, King's College, University of London, reminded the conference that contracts depend on an offer and an acceptance, but usually there is no need for any formal written agreement (as evidence—the motto of the Baltic Exchange. "My word. My bond.").

However, there can be complications; for example, when the acceptance includes variations or when the discussions are agreements to agree, which may depend on a formal contract. But if the main points have been agreed, there will ordinarily be a contract.

The incorporation of standard terms should also be familiar to the London commodity markets and it should be well understood that once a contract has been concluded it can be varied only by the agreement of both parties.

Mr Derek Kirby Johnson, a solicitor, spoke on the theme that the law was made for man and not that man was made for the law. On the offer and acceptance, he clarified that sellers should put a time limit on an option to buy. Specific provisions or typed alterations to a standard form were deemed to over-ride the printed form because such provisions were obviously more immediately in the parties' minds.

On contracts and warranties, all stipulations should be viewed in the light of the actual effect on the parties of any breach of the term, ie, whether the term is a fundamental condition, any variation of which would entitle the other party to say that the contract was at an end or something which should be settled by allowances.

This might be a matter for lawyers to decide. All stipulations should be viewed in the light of the actual effect on the parties. In any event, the default provisions of the contract remain in being for the settlement of the dispute.

Letters credit were in effect separate contracts and had to be complied with in all particulars and they might lead to difficulties if they varied from what was agreed in the original contract. Mr Johnson said that he questioned whether it was still correct to say that quality disputes formed the largest proportion of disputes in commodity trades generally.

Grounds of illegality or unlawfulness had been pleaded as a reason for revoking a contract. The House of Lords had decided that it would depend where the place of performance was to be which law would apply and, therefore, government action in one country was not a valid legal reason for failing to perform in another.

It was important to note that English law did not provide for "string" trading at all; hence the reason for printed contract forms containing the necessary provisions and the practice of having quality arbitrations between the last buyer and first seller.

Rights to interest on unpaid purchase monies should be reserved in advance. If there was insolvency, unascertained goods were transferred to the Receiver.

Diamonds as an investment

In an economic analysis of investment grade diamonds, Hasenfeld-Stein, the major United States diamond manufacturing and trading corporation, points out that the price of diamonds, like those of common stocks, gold and real estate, responds to the interaction of the forces of supply and demand.

As inflation speeds up, so does the demand for diamonds and prices move with the ebb and flow of the real gross national product. Analysis indicates that a 1 per cent increase in inflation generates about a 1.5 per cent rise in diamond prices while a similar rise in real GNP will push up prices by a multiple of about three.

In times of recession, however, the sharp dampening effect of falling real gnp on diamond prices is muted. De Beers, the diamond mining and marketing cartel which controls about 80 per cent of the world's rough diamond supply, tends to reduce supply when recession strikes and demand slumps, the review said.

With inflation almost certain to continue into the 1980s, investors will probably continue to forsake currency-denominated investments in favour of real assets, especially collectibles. World gnp is expected to increase, though the United States and world economies will be plagued by intermittent bouts of inflation.

When these occur, DeBeers, as in the past, will probably cushion the impact on prices by curtailing supply, the review said, and in that environment diamonds should provide the investor with an excellent long-run return with minimum downside risk.

Commodities Editor

Commodities

COPPER was firm.—Afternoon.—Cash wire bars, £1,034-36 a metric ton; three months, £1,039.50-40.00. Sales, 7,150. Cash cathodes, £997-1,000; three months, £1,012-15. Sales, nil tons. Morning.—Cash wire bars, £1,023.50-24.50; three months, £1,024.50-25.50. Settlement, £1,024.50. Sales, 9,500 tons. Cash cathodes, £986-90; three months, £1,000-£1,004. Settlement, £990. Sales, nil tons.

SILVER was steady.—Bullion market (fixing levels).—Spot 897.80p per troy ounce (United States cents equivalent, 1,988); three months, 923.80p (2,034c); six months, 942.90p (2,068c); one year 987.90p (2,114c). London Metal Exchange.—Afternoon.—Cash 905-909p; three months 934-34.90p. Sales, 63 lots of 10,000 troy ounces each. Morning.—Cash, 913-14p; three months, 935-36p. Settlement, 914p. Sales, 138 lots.

TIN was steady.—Afternoon.—Standard cash, £7,750-70 a metric ton; three months, £7,825-30. Sales, 330 tons. High grade, cash £7,760-70; three months, £7,830-50. Sales, nil tons. Morning.—Standard cash, £7,835-45; three months, £7,800-10. Settlement, £7,845. Sales, 300 tons. High grade, cash, £7,835-45; three months, £7,830-50. Settlement, £7,845. Sales, nil tons. Singapore tin ex-works, $M2,310 a picul.

LEAD was steady.—Afternoon.—Cash, £545-47 per metric ton; three months, £530-31. Sales, 1,350 tons. Morning.—Cash, £545-45; three months, £528-28.50. Settlement, £545. Sales, 3,600 tons.

ZINC was steady.—Afternoon.—Cash, £332-33 a metric ton; three months, £340-40.50. Sales, 900 tons. Morning.—Cash, £332-33; three months, £339-39.50. Settlement, £333. Sales, 7,500 tons. All afternoon prices are unofficial.

PLATINUM was at £250.95 ($556) a troy ounce.

ALUMINIUM was barely steady.—Afternoon.—Cash, £885-88 per metric ton; three months, £827-29. Sales, 1,850 tons. Morning.—Cash, £883-85; three months, £827-28. Settlement, £885. Sales, 1,900 tons.

NICKEL was barely steady.—Afternoon.—Cash, £2,847-50 per metric ton; three months, £2,860-65. Sales, 78 tons. Morning.—Cash, £2,860-80; three months, £2,875-80. Settlement, £2,880. Sales, 360 tons.

RUBBER very steady (pence per kilo).—Jan, 67.55-67.90; Feb, 68-68.60; Jan-March, 68.20-68.25; April-June, 69.40-69.45; July-Sept, 71.60-71.70; Oct-Dec, 73.80-73.95; Jan-March, 76.20-76.35; April-June, 78.60-78.65; July-Sept, 81.10-81.15. Sales, 10 at five tonnes; 217 at 15 tonnes.

RUBBER PHYSICALS steadier.—Spot, 66-67.50. Cifs, Jan, 66.75-67.25; Feb, 67.75-68.25.

COFFEE was slightly easier.—ROBUSTAS (£ per metric ton): Jan, 1,843-45; March, 1,716-18; May, 1,645-50; July, 1,627-30; Sept, 1,612-20; Nov, 1,600-30; Jan, 1,595-1,605. Sales: 4,191 lots including 7 options.

COCOA was about steady (£ per metric ton): Dec, 1,516-19; March, 1,499-1,500; May, 1,501-05; July, 1,517-19; Sept, 1,533-35; Dec, 1,545-55; March, 1,560-90. Sales: 1,597 lots including 5 options. ICCO prices: daily (Nov 30) 145.06c; indicator prices (Dec 3): 15-day average, 139c; 22-day average, 136.83c (US cents per lb).

SUGAR: The London daily price of "raws" was £2 higher at £171; the "whites" price was £1 higher at £182. Futures (£ per tonne). Old contract (barely steady): March, 189.40-89.60; May, 186.20-86.25; Aug, 183.75-84.10; Oct, 183.15-83.25. Sales, 5,763 lots. New contract (quiet): May, 184.20-85; Aug, 182-82.25; Oct, 181.75-83.00; Jan, 182-83; March, 182-82.50; May, 182.25-83.50. Sales, 464 lots. ISA prices (Nov 30): 14.98c; 15-day average, 13.91. White sugar was quiet: Feb, 186.75-88; April, 188-92; July, 190-98; Sept, 198-200; Nov, 192-200; Feb, 195-210; April, 199-210. Sales, 76 lots.

SOYABEAN MEAL was slightly easier (£ per tonne): Dec, 127.70-28.50; Feb, 126.20-26.30; April, 125.10-25.50; June, 124.50-25.50; Aug, 125.50-26.50; Oct, 121.70-22.00; Dec, 123.20-23.50. Sales, 48 lots.

WOOL.—Grease futures (pence per kilo).—Australian (quiet): Dec, 318-38; March, May, July, Oct, Dec, March, May all 232-43. Sales, nil. New Zealand crossbreds (quiet): Dec, 195-205; March, 196-200; May, July, Oct, Dec, March, May all 196-200.

GRAIN (The Baltic). — WHEAT. — Canadian western red spring unquoted. US dark northern spring No 2, 14 per cent: Dec £103, Jan 108.75; Feb. US hard winter 13½ per cent: Jan £106.75; Feb £107.75 trans-shipment east coast. EEC unquoted. Jan 118 South African white unquoted. South African yellow: Dec-Jan £79.25. BARLEY.—English feed fob: Dec ... MAIZE.—US/French: Dec £116.50; £95.50; Jan-March 100.50 coast. All per tonne cif UK unless stated.

London Grain Futures Markets (Gafta). EEC origin. — BARLEY was fairly steady.—Jan £95.35; March £97.50; May £101.90; Sept £94.95; Nov 98.40. Sales, 118 lots.

WHEAT was fairly steady.—Jan £96.75; March £101.10; May £105.10; Sept 98.10; Nov £101.60. Sales, 82 lots.

Home-Grown Cereal Authority.—Location ex-farm spot prices:

	Other milling WHEAT	Feed WHEAT	Feed BARLEY
Eastern	£96.30	£94.70	£91.40
E Midlands	£97.50	£93.10	£90.00
N East	—	—	—
Scotland	—	£100.00	—

MEAT COMMISSION.—Average fatstock prices at representative markets on December 3. GB Cattle, 76.30p per kglw (+0.45). UK Sheep, 119.1p per kgestdcw (+2.6). GB Pigs, 70.7p per kglw (−3.9). England and Wales: Cattle numbers up 3.1 per cent, average price 76.09p (+0.61). Sheep numbers up 2.8 per cent, average price 116.1p (+1.3). Pig numbers down 1.0 per cent, average price 70.7p (−3.8). Scotland: Cattle numbers up 4.3 per cent, average price 78.16p (−0.75). Sheep numbers up 42.1 per cent, average price 119.8 (+1.8). Pig numbers up 5.9 per cent, average price 72.9p (+0.9).

TEA.—There were 49,399 packages on offer at the weekly auction. Demand was fairly good for north Indian and African. The comparatively few north Indians available were well supported at firm to dearer prices. Selected bright Africans were dearer, mediums were irregular and sometimes shed several pence. Plain central Africans with poor leaf were again easier. Sri Lanka received only fair demand and prices for plain teas were irregular and often 2p to 3p per kilo lower. The very few quality invoices sold well at firm rates. Highest price realized was 168p for Mauritius orange fanning.

LME metal stocks

Stocks in London Metal Exchange official warehouses at the end of last week (all in tonnes except silver) were: Copper down 3,750 to 136,425; Tin up 80 to 1,895; Lead up 225 to 19,050; Zinc down 600 to 41,700; Aluminium down 1,275 to 9,225; Nickel up 270 to 5,932; Silver up 1,410,000 to 10,360,000 troy ounces.

Recent Issues

	Closing Price
BP New (363p)	102-8
Fogarty E. Def'd	61
Forminster 10¼% Cum Pf	87
London Tst 13¼% Db 2000-04 (£99¼)	£31
Muckhow A. J. 13¼% Db 2000-05 (£98¼)	£31
Starrite Eng 11½% Cum Pf	100
Treasury 13¾% 2000-03 (£91½)	[illegible]
Do 13½% 1985 (†)	[illegible]
Do 14¼% 1998-01 († b)	[illegible]
Wintrust 10¾% Cum Pf	85½

Issue price in parentheses. * Ex dividend. † Issued by tender. ‡ Nil paid. a £10 paid. b £20 paid. ‡ Fully paid. g £100p paid.

Discount market

Credit flows proved adequate yesterday and no assistance was required of the authorities. With an eye to tight conditions expected later in the week the market had opened a little nervously, with 15¾ per cent tentatively indicated for fresh overnight money.

But it soon became clear that a flat day was in prospect. The clearing banks were not doing much, and business really started around 15½ per cent. In quiet trading, rates eased to 15¼-¼ per cent over the course of the morning, and drifted on down to closing levels around 14¼-1 per cent during the afternoon.

The market had to fund a small net Treasury bill take-up and there was a small figure for increased note circulation. But liquidity was generated by bank balances that came across from Friday a small amount above target and by a moderate excess of Exchequer disbursements over Revenue receipts.

Money Market Rates

Bank of England Minimum Lending Rate 17% (Last changed 15/11/79)
Clearing Banks Base Rate 17%
Discount Mkt Loans%
Overnight: High 15¾ Low 14¼
Week Fixed: 15¾-16

Treasury Bills (Dis%)

Buying		Selling	
2 months	16⅛	2 months	15⅞
3 months	16¼	3 months	16⅛

Prime Bank Bills (Dis%) Trades (Dis%)

2 months	16⅝-16½	3 months	17¼
3 months	16⅜-16¼	4 months	16¾
4 months	16⅛-16¼	6 months	16½
6 months	15⅞-15¾		

Local Authority Bonds

1 month	16¾-17⅛	7 months	16⅛-16¾
2 months	18-17⅝	8 months	16⅛-16¾
3 months	17⅛-17¾	9 months	16⅛-16¾
4 months	17⅛-17¾	10 months	16⅛-16¾
5 months	17⅛-17	11 months	16⅛-16¾
6 months	16⅞-16¾	12 months	15⅞-15¾

Secondary Mkt. ECD Rates (%)

1 month	16⅞-16¾	6 months	15⅞-15¾
3 months	16⅞-16¾	12 months	15⅛-15¾

Local Authority Market (%)

2 days	16¼	3 months	16¾
7 days	17	6 months	16¼
1 month	16¾	1 year	15½

Interbank Market (%)
Overnight: Open 16-15¾ Close 15

1 week	16¾-16¼	6 months	16⅛-16¾
1 month	16⅞-16¾	9 months	15⅞-15¾
3 months	17-16⅞	12 months	15⅛-15¾

First Class Finance Houses (Mkt. Rate%)
3 months 17⅛ 6 months 17⅛

Finance House Base Rate 15½%

Bank Base Rates

...Bank	17%
...ys Bank	17%
... Bank	17%
...lidated Crdts	17%
...re & Co	*17%
... Bank	17%
... Mercantile	17%
...d Bank	17%
...estminster ..	17%
...inster	17%
....	17%
...ms and Glyn's	17%

... deposit on sums of ... and under ... 15¼%, up to ... £25,000 15½%, over ... 00, 15½%.

Foreign exchange report

The dollar suffered further widespread and sharp losses on foreign exchanges yesterday. Libya's burning of the United States embassy in Tripoli triggered off fresh selling at the outset, and the dollar weakened further later when rumours spread round the Continent that anti-American demonstrations were taking place in Saudi Arabia. The dollar plunged below 1.7100 against the German mark for the first time ever.

Sterling ended 1.25 cent higher at 2.2130 against the dollar, having reached 2.2175 at one time. The effective exchange rate was finally unchanged at 69.9, after 70.0 at noon and at the opening.

German marks strengthened from 1.7300 to 1.7080 at the expense of the dollar, while Swiss francs gained from 1.5980 to 1.5620, and French francs rose from 4.06375 to 4.0200. The Japanese yen improved from 249.40 to 248.80.

Sterling Spot and Forward

	Market rates (day's range) December 3	Market rates (close) December 3		1 month	3 months
New York	$2.2050-2175	$2.2125-2135	New York	.62-.52c prem	1.25-1.15c prem
Montreal	$2.5740-5868	$2.5805-5815	Montreal	.80-.60c prem	1.75-1.65c prem
Amsterdam	4.19-25fl	4.19-20fl	Amsterdam	1¾-¾c prem	3¾-2¾c prem
Brussels	61.60-62.00f	61.63-75f	Brussels	15-5c prem	35-25c prem
Copenhagen	11.72-75k	11.73-74¼k	Copenhagen	3ore prem-3½ore disc	1-5ore disc
Frankfurt	3.77-80¼m	3.77¾-78½m	Frankfurt	3-2pf prem	7¾-6¾pf prem
Lisbon	109.20-90e	109.35-65e	Lisbon	par-60c disc	35-135c disc
Madrid	146.00-65p	146.50-60p	Madrid	20c prem-80c disc	30-130c disc
Milan	1784-93lr	1784½-85½lr	Milan	4lr-2lr prem	2lr prem-par
Oslo	10.84-92k	10.85-86k	Oslo	5¾-3¾ore prem	10¾-8¾ore prem
Paris	8.89-93f	8.90-91f	Paris	3¾-2¾c prem	8-5c prem
Stockholm	9.15-19k	9.16-17k	Stockholm	2¾-1ore prem	6-4ore prem
Tokyo	547-55y	550¼-51¼y	Tokyo	[illegible]	[illegible]
Vienna	27.17-37sch	27.22-32sch	Vienna	22-12gro prem	57-47gro prem
Zurich	3.43-52f	3.45¾-46¾f	Zurich	4-3c prem	10¾-9¾c prem

Effective exchange rate compared to December 21, 1971 was unchanged at 69.9.

Sterling: other markets

Australia	2.0080-2.0280
Bahrein	81.30-84.80
Finland	8.1950-8.2000
Greece	81.60-82.60
Hongkong	11.03-11.01
Iran	not available
Ireland	1.0270-1.0285
Kuwait	59.60-62.60
Malaysia	4.7755-4.8055
Mexico	49.50-51.00
New Zealand	2.2410-2.2610
Saudi Arabia	7.41¼-7.44¼
Singapore	4.7620-4.7920
South Africa	1.8045-1.8445

Dollar spot rates

* Ireland	2.154-2.155
Canada	116.62-116.65
Netherlands	1.8950-1.8970
Belgium	27.84-27.87
Denmark	5.30-5.30¼
West Germany	1.7075-1.7085
Portugal	49.45-49.55
Spain	66.10-66.25
Italy	805.50-806.25
Norway	489.50-489.75
France	4.0285-4.0310
Sweden	4.1355-4.1370
Japan	248.75-248.85
Austria	12.30¼-12.33¼
Switzerland	1.5610-1.5630

* Ireland quoted in US currency.
† Canada $1: US$85.71-85.74

EMS: Euro currency unit rates

	ECU central rates	currency against ECU	% change from central rate†	% change adjusted*	divergence limit % plus/minus
Belgian franc	39.7097	40.2718	+1.46	+1.46	1.53
Danish krone	7.72336	7.66197	−0.79	−0.79	1.64
German D-mark	2.48208	2.47098	−0.45	−0.45	1.125
French franc	5.84700	5.81003	−0.62	−0.62	1.3657
Dutch guilder	2.74362	2.74369			1.512
Irish punt	0.662691	0.670801	+0.40	+0.40	1.666
Italian lira	1157.79	1165.65	+0.68	+0.68	4.08

† changes are for the ECU therefore positive change denotes weak currency.
* adjusted for sterling's weight in the ECU, and for the lira's wider divergence limits.
Adjustment calculated by The Times.

Gold

Gold fixed: am, $426 (an ounce); pm, $425.75 close, $432.25
Krugerrand (per coin): $444-447 (£200½-202¼).
Sovereigns (new): $111-112 (£50-51).

Euro-$ Deposits

(%) calls, 12¾-13¾, seven days, 13½-13¾, one month, 14¼-14¾; three months, 14⅞-15⅛; six months, 16⅛-14¾.

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The Over-the-Counter Market

1979 Low	Company	Price	Ch'ge	Gross Div(p)	Yld %	P/E
39	Airsprung Group	77	+1	6.7	8.7	*4.5
35	Armitage & Rhodes	42	—	3.8	9.0	*2.7
43	Bardon Hill	222	—	13.8	6.2	*6.5
50	Deborah Ord	93	—	5.0	5.4	10.2
93	Deborah New Ord Fully Paid Rights	93	—	—	—	—
40	Deborah 17½% CULS	353	—	17.5	5.0	—
90	Frederick Parker	105	—	12.8	12.2	*8.1
10	George Blair	110	—	16.5	15.0	*—
45	Jackson Group	61	—	5.2	8.5	*3.6
97	James Burrough	114	—	7.2	6.3	10.0
50	Robert Jenkins	250	—	31.3	12.5	*4.9
90	Torday Limited	225	—	14.3	6.4	*5.9
14	Twinlock Ord	19½	—	0.8	4.3	*3.7
59	Twinlock 12% ULS	76	+1	0.8	15.8	—
23	Unilock Holdings	54	+1	2.6	4.8	11.5
42	Walter Alexander	80	—	4.4	5.5	5.3
36	W. S. Yeates	184	—	11.5	6.3	7.1
35	W. S. Yeates New	185	—	—	—	—

...nts prepared under provision of SSAP15.

Authorized Units, Insurance & Offshore Funds

[illegible]

Insurance Bonds and Funds

[illegible]

Offshore and International Funds

[illegible]

Salerooms and Antiques

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PERSONAL CHOICE

the villagers of Pipli, northern India, where 80 per the men were sterilized during the Emergency. the Moonsoon (ITV, 9.00)

...cidence of screening preventing my seeing, and commenting on, last week's opening instalment of Grigsby's trilogy Before the Monsoon, about India on The laurels that have been heaped on its head have grind my teeth in frustration. I have, however, seen ...d in the series (ITV, 9.00). It is good, perhaps very ... not outstandingly good, mainly I think because it ...argely of statements made to camera. But what ...ts they are! They are from those who suffered ...ly during Mrs Gandhi's state of emergency in 1975—the ...sed who had to make way for Sanjay Gandhi's brutal ...n squads in old Delhi, the men who were forced to be ..., the students who were tortured, the women who ...iliated, the father who lived in hope without realizing ...son for whose life he pleaded, had already been done to ...prison. The film, then is a catalogue of terrible ...ts against Mrs Gandhi, many of them delivered in ...orm, some in photographs but most of them, as I have ...atements to an unseen interviewer. Next week, we shall ...wing of the seeds of democracy.

...t's edition of Chronicle (BBC 2, 8.35) is about the ...ization of Peru and should appeal not only to ...gical students (though the thrust of the programme ...in their direction, I believe) but to anyone who was ...ned by Peter Shaffer's play The Royal Hunt of the ... whose appetite for more information about the Incas ...efore, have been whetted. Ian Holm is the narrator.

...nderstand some people's objections to the way Johnny ...nthropomorphizes animals. They must feel the same ...ney. A lot of other people, though, and especially ... will be delighted to know that Mr Morris is back again ...w series of Animal Magic (BBC 1, 4.40). He is joined, ...enters, by Rocky, the Rockhopper Penguin, and Cocky, ...rested cockatoo.

...nmemorate the third anniversary, today, of the death ...in Britten, his opera The Turn of the Screen, based ... James's chilling short story, is broadcast direct from ...n Coliseum tonight (Radio 3, 7.30). In spectral stereo,

...E SYMBOLS MEAN: † STEREO; * BLACK AND WHITE; ...AT.

Broadcasting Guide

Edited by Peter Davalle

TELEVISION

BBC 1

12.45 pm News and weather.
1.00 Pebble Mill at One: includes Family Matters, with legal, medical and financial advice from David Delvin, Pat Petch and Vincent Duggleby.
1.45 Bagpuss: story of an old cloth cat. Close down at 2.00.
3.25 Dechrau Siarad: Welsh lesson.
3.55 Play School: the story of Ashok's Kite.
4.20 Secret Squirrel; cartoon. Scuba-Duba-Duba.
4.25 Jackanory: Janet Maw continues reading The Elephant War, by Gillian Avery.
4.40 Animal Magic: Johnny Morris with another series about fur and feather. Includes an unusual pets competition (see Personal Choice).
5.05 John Craven's Newsround: junior newsreel.
5.10 The Record Breakers: the smallest, tallest, fastest this-that-and-the-other. Includes an attempt on the world record for parallel bar dips.
5.40 News: with Peter Woods.
5.55 Nationwide: London and regional news features.
6.50 Rolf Harris's Cartoon Time: includes Bugs Bunny and Tom and Jerry.
7.20 Film: Blindfold (1966). American comedy-thriller with Rock Hudson as a psychologist involved in a plot to kidnap a scientist. With Claudia Cardinale. A cut above the average.
9.00 News: with Kenneth Kendall.
9.25 Time Express: awful American series in which Vincent Price and Coral Browne are conductors on a train that takes people back into their past, for adjustments. This journey is not recommended.
10.15 Mainstream: the weekly arts programme that whizzes round the regions and occasionally comes up with something of interest.
10.45 Question Time: Robin Day, plus panellists, plus audience, in a free-for-all discussion. The panel: Conservative MP Eldon Griffiths, Observer editor-in-chief Conor Cruise O'Brien, journalist Gaia Servadio and former industry secretary Eric Varley.
11.45 News and weather.

Regions

BBC 1 VARIATIONS: Scotland: 12.40 pm News. 5.55 Reporting Scotland. 6.50 On the Green. 10.15 Current Account. 10.45 Can See. 11.20 Write Away. 11.35 Mainstream. 12.05 am News and weather. **Wales:** 4.40 pm Ci o'r Enw Samson. 5.55 Wales Today. 6.50 Heddiw. 7.05 Pobol y Cwm. 7.35 Theatre Awards. 8.25 Some Mothers do 'Ave 'em. 11.45 News and weather. **Northern Ireland:** 3.52 pm News. 5.55 Scene Around Six. 6.50 Green Rock. 10.15 Spotlight. 11.46 News. 11.49 Mainstream. 12.19 am News and weather. **England:** 5.55 pm Regional magazines. 6.50 East, Sporting Types. London, South East, Cartoon Time. Midland, Flavour of the Midlands. North, Hometown. North East, What's Cooking? North West, Wanted— The Doctors. South, Pure Invention. South West, Music Quiz. West, Day Out.

BBC 2

10.05 am Business World: teachers, schools and housing and their relationship with commerce. Closedown at 10.30.
11.00 Play School: same as BBC1, 3.55
11.25 Write Away: how to write better personal letters. Also Andrew Sachs (Manuel in Fawlty Towers) with spelling hints.
11.40 A Child's Place: repeat of Sunday's programme about children's rights—Kids and Play Space. Closedown at 12.05
2.30 the Engineers: with the technical director of Coalbrookdale Iron Foundry, Ron Clark (r).
3.00 Whistle Blowers: the journalist and the law of libel and contempt. Chris Dunkley introduces (r).
3.30 The Living City: sociology series. Today: Who Ordered their Estate ? (r). Closedown at 3.55
4.10 A Taste of Work: advice for the young jobless (r). Closedown at 4.35
5.35 Laurel and Hardy: The Hoosegow* Stan and Oliver in prison (that is what Hoosegow means). Made in 1929, when most of the couple's best short films were made.
5.55 Grange Hill: comprehensive school series. Today? a school uniform protest.
6.20 The Waltons: part one of The Return in which John-Boy tries to revive an abandoned mine.
7.05 Cricket: First Test. Highlights from the fourth day's plan between Australia and West Indies. From Brisbane.
7.35 News: with sub-titles for the hard of heraing.
7.40 Testament of Youth: final part of Vera Brittain's biography. The Great War is over and Vera takes up writing and polities. Not much more than a tidying-up episode, really, but not to be missed none the less (r).
8.35 Chronicle: The Incas. Digging up the last, and thinking about the future in this mountainous area of Peru (see Personal Choice).
9.25 pm: Man Alive. The Baby Business—how childless couples can buy their own baby in the USA. (r)
10.15 The Mike Harding Show: last of this series of one-man comedy shows, with music. Tonight, Mr Harding ventures into the Lancashire jungle and goes to a posh party.
10.45 pm: Rugby League: The 1979 Challenge Cup final, Widnes v Wakefield (highlights).
11.20 News and weather.
11.35 The Old Grey Whistle Test: rock music. With Judie Tzuke and UK. Presented by Anne Nightingale. Closedown at 12.15 am

THAMES

9.30 am Next Term: 9.30 A Place to Live (the spider); **9.50 Botanic Man** (crucible of life); **10.20 Good Health** (need for sleep, exercise); **10.35 How we Used to Live** (Victorian Christmas).
11.00 Cartoon Time: featuring Barnie, Goggle and Snuffy Smith.
11.10 Little House on the Prairie: family stories. Today: a hurricane makes Charles Ingalls (Michael Landon) consider his future (r).
12.00 Simon in the Land of Chalk Drawings: Bernard Cribbins tells the stories.
12.10 pm Rainbow: the theme is legs, in humans and animals.
12.30 The Sullivans: yet another family series this morning. This one is set in Australia.
1.00 News: with Peter Sissons.
1.20 Thames News: with Robin Houston.
1.30 About Britain: West Country tour with a boxing booth owned, and still run, by 80-year-old Ma McKeowen.
2.00 After Noon Plus: are mortgages a good idea? Experts tell us. Also, collecting Toby Jugs and an item on Christmas cards for black people.
2.45 The Love Boat: comedies on board a cruiser. Today: Gopher the Rebel.
3.45 Georgie Fame and Company: music show, the guest is Alan Price, who once partnered Mr Fame.
4.15 Get it Together: pop music show. Includes the Electric Light Orchestra and The Inmates.
4.45 Magpie: magazine for young viewers.
5.15 Star Gardens: a chance to admire the perennials that grow in the garden of Noel Dyson, the actress. A pleasant programme, presented pleasantly by Keith Fordyce.
5.45 News.
6.00 Thames News: local round-up of news and features.
6.25 Help! Joan Shenton with more advice for people in need of information.
6.35 Crossroads: the motel series. Tonight: a confession for PC Cater.
7.00 Year of the Child: Too Old for Toys; second in this new series. The story of the problems faced by a 13-year-old girl and a 14-year-old boy who, as undergraduates at the University of Washingron, Seattle, have to try and fit into an adult educational world.
7.30 Star Games: stage and screen stars compete in athletics, with Michael Aspel trying to impose a semblance of order.
8.30 George and Mildred: domestic comedy series with Yootha Joyce and Brian Murphy. Tonight: a sad departure for George's goldfish.
9.00 Before the Monsoon: part 2 of this important series of documentaries about recent Indian history. Tonight: India in the iron grip of Mrs Gandhi's state of emergency (see Personal Choice).
10.00 News.
10.30 Film: Madhouse (1974) Horror thriller about a horror star (Vincent Price) who is much better at this sort of thing than he is in the BBC's Time Express (also on tonight). Peter Cushing co-stars.
12.15 am Close: Poetry, read by Vince Hill.

RADIO

Radio 4

6.00 am News Briefing.
6.10 Farming Today.
6.30 Today.
7.00, 8.00 News.
7.30, 8.30 Headlines.
8.35 Yesterday in Parliament.
9.00 News.
9.30 Tuesday Call: Wine.
10.00 News.
10.05 In Britain Now.
10.30 Daily Service.
10.45 Whip Hand (10).
11.00 News.
11.05 Play: The Striking Image.
11.35 Still Small Voices (2).
11.55 Sounding Off.
12.00 News.
12.02 pm You and Yours.
12.20 Down Your Way.
12.55 Weather.
1.00 The World at One.
1.40 The Archers.
2.00 News.
2.02 Woman's Hour.
3.00 News.
3.02 Listen with Mother.
3.15 Men at Arms (2.)†
4.10 Bookshelf.
4.40 Preview.
4.45 Story. Water Under the Bridge.
5.00 PM.
5.55 Weather.
6.00 News.
6.30 Many a Slip.†
7.00 News.
7.05 The Archers.
7.20 Policing Freedom: Discussion.
8.05 In Touch.
8.30 The Magic of Music.†
9.15 A Sideways Look: Talking to strangers.
9.30 Kaleidoscope.
10.00 The World Tonight.
10.30 The Hornblower Story (1).†
11.00 A Book at Bedtime.
11.15 Financial World Tonight.
11.30 Today in Parliament.
12.00 News, weather.
12.15 am-12.23 Inshore forecast.
VHF
6.50 am Regional news, weather.
7.50 Regional news, weather.
5.50 pm Regional news, weather.
11.00-11.30 Study on 4: Pur acui (10).

Radio 3

5.55 am-8.05 (mw only from 7.00) Cricket: Australia v West Indies.
6.55-7.00 (mw only) Weather:
7.00-7.05 (vhf only) News.
7.05 (vhf only) Records: Faure, Debussy, Mozart.† 8.00 (vhf only) News.
8.05 Records: Cherubini, Chopin, Schubert (Sym 3).†
9.00 News.
9.05 Records: Kadaly.†
10.00 Chamber music: Schubert, Berg.†
10.35 Interval reading.
10.40 Chamber music: Rushby-Smith, Dvorak, Brahms.†
11.30 Quartet: Holmboe.†
12.00 Ulster Orch: Harty.†
1.00 pm News.
1.05 Six Continents.
1.20 Ulster Orch: Harty, Handel.†
2.00 The Polignac Salon.†
3.05 Piano (John Lill): Bach, Hindemith, Balakirev.†
3.50 In Short.
4.00 Piano (Lill): Brahms, Beethoven (op 111).†
4.55 Jazz Today.†
5.25 Homeward Bound.†
5.45 News.
5.50 Homeward Bound.†
6.15 At Home.†
7.10 Harpsichord (Puyana): Telemann, Buil, C. P. E. Bach.†
7.30 Opera: The Turn of the Screw by Britten (live from London Coliseum—ENO Friend) Act 1.†
8.25 A.R.T.H.U.R. and M.A.R.T.H.A.: love story for computers.†
8.45 The Turn of the Screw Act II.†
9.45 A Child of Lir: portrait of Hamilton Harty.
10.45 The Beecham Legacy: Mehul, Stravinsky, Adrian Beecham, Mendelssohn (Sym 3).
11.45 Organ: Messiaen.†
11.55-12.00 News.

Radio 2

5.00 am News Weather. 5.04 Steve Jones.† 7.32 Terry Wogan.† 10.03 Colin Berry.† 12.15 pm Waggoners' Walk. 12.30 Derek Hobson.† 2.15 David Hamilton.† 4.15 Much More Music.† 5.00 News. 5.05 Waggoners' Walk. 5.20 John Dunn.† 6.45 Sports Desk. 7.02 Brian Fahey.† 7.30 Folk 79.† 8.02 Sporting Special: soccer, boxing. 11.02 Laughter in the Air. 12.05 am Brian Matthew. 2.03-5.00 You and the Night and the Music.†

Radio 1

5.00 am As Radio 2. 6.00 Dave Lee Travis. 9.00 Simon Bates. 11.31 Paul Burnett. 2.00 pm Andy Peebles. 4.31 Kid Jensen. 7.00 Personal Call. 8.00 Mike Read. 9.50 Newsbeat. 10.00 John Peel.† 12.00-5.00 am As Radio 2.
VHF RADIO 1 and 2: 5.00 am With Radio 2. 8.02 Tuesday Night is Gala Night.† 9.02 Max Jaffa.† 9.55 Sports Desk. 10.00 With Radio 1. 12.00-5.00 am With Radio 2.

World Service

BBC World Service can be received in Western Europe on medium wave (648KHz, 463) at the following times: 6.00 am Newsdesk. 7.00 World News. 7.09 Twenty-Four Hours. 7.45 Network UK. 8.00 World News. 8.09 Reflections. 8.15 Europa. 8.30 Talking About Music. 9.00 World News. 9.09 British Press Review. 9.15 The World Today. 9.30 Financial News. 9.40 Look Ahead. 9.45 The Tony Myatt Request Show. 10.15 Nature Notebook. 10.30 Sports International. 11.00 World News. 11.09 News About Britain. 11.15 Letter from London. 11.25 Scotland This Week. 11.30 The Book Quiz. 12.00 Radio Newsreel. 12.15 pm Benny Green's Album Time. 12.45 Sports Round-up. 1.00 World News. 1.09 Twenty-Four Hours. 1.30 Network UK. 1.45 An Evening Chez Rossini. 2.30 John Peel. 3.00 Radio Newsreel. 3.15 Outlook. 4.00 World News. 4.09 Commentary. 5.00 World News. 5.00 Scotland This Week. 8.00 World News. 8.09 Twenty-Four Hours. 9.15 Pleasure's Yours. 10.00 World News. 10.09 The World Today. 10.25 Scotland This Week. 10.30 Financial News. 10.40 Reflections. 10.45 Sports Round-up. 11.00 World News. 11.09 Commentary. 11.15 Shakespeare's Heroes. 11.30 Thirty-Minute Theatre. 12.00 World News. 12.09 am News About Britain. 12.15 Radio Newsreel. 12.30 A Jolly Good Show. 1.15 Outlook. 1.45 Put Out More Flags. 2.00 World News. 2.09 British Press Review. 2.15 Twentieth-Century Piano Music. 2.30 All Things Considered. 3.00 World News. 3.09 News About Britain. 3.15 The World Today. 3.30 Benny Green's Album Time. 4.00 Newsdesk. 4.30 Sounds New. 5.45 The World Today.

WAVELENGTHS: Radio 1 medium wave 275m/1089kHz or 285m/1053kHz. Radio 2 med wave 330m/909kHz or 433m/693kHz and 88-91 VHF. Radio 3 med wave 247m/1215kHz and 90-92.5 VHF. Radio 4 long wave 1500m/200kHz and 92-95 VHF. Greater London area only: med wave 720kHz/417m. LBC 261m, 97.3 VHF. Capital 194m, 95.8 VHF. World Service: med wave 648kHz (463m). BBC Radio London 206m, 94.9 VHF.

REGIONAL TV

Granada

As Thames except: 11.00 am The Flintstones. 11.20 History Around You. 11.35 Cartoon. 11.45 A Handful of Songs. 1.20 pm Granada Reports. 2.45 Family. 5.10 This Is Your Right. 5.15 Crossroads. 6.00 Granada Reports. 6.30 University Challenge.

Grampian

As Thames except: 9.20 First Thing. 11.00 Supernov. 11.50 The Animates. 1.20 pm Grampian Headlines. 2.45 Young Ramsay. 5.15 Survival. 6.00 Grampian Today, weather. 6.05 Out of Town. 12.15 am Reflections. 12.20 Grampian Headlines.

Border

As Thames except: 11.00 am The Flying Jewels. 11.25 Cartoon. 11.50 The Animates. 1.20 pm Border News. 5.15 Bonkers. 6.00 Lookaround. 12.05 am Border News.

Westward

As Thames except: 11.00 am Davy Crockett. 11.50 The Animates. 12.27 pm Gus Honeybun's Birthdays. 1.20 Westward Headlines. 5.15 Sam. 6.00 Westward Diary. 10.28 Westward News, weather. 12.15 am Faith for Life. 12.20 Weather, shipping forecast.

Southern

As Thames except: 11.00 am Little House on the Prairie. 11.50 The Animates. 1.20 pm Southern News, weather. 3.45 Georgie Fame and Company. 5.15 Dick Tracy. 5.20 Crossroads. 6.00 Day by Day. 12.10 am Southern News, weather. Why are you Afraid?

HTV

As Thames except: 11.00 am Cash and Company. 11.50 The Animates. 1.20 pm Report West Headlines. 1.25 Report Wales Headlines. 2.45 Family. 3.45 The Entertainers. 5.15 Magilla Gorilla. 5.20 Crossroads. 6.00 Report West. 6.15 Report Wales. 6.30 Georgie Fame and Company. 10.00 News, Report West Headlines.
HTV CYMRU/WALES: As General service except: 1.20 pm Penawdau Newyddion y Dydd. 4.15 Goglis. 6.00 Y Dydd. 10.00 News, Report Wales Headlines. 10.30 Ffilmiau'r 70au. 11.20 Country Comes West. 11.50 Weather.
HTV WEST: As general service except: 1.25 pm Report West Headlines. 6.15 Report West.

Channel

As Thames except: 12.30 pm The Sullivans. 1.20 Channel News. What's on Where, weather. 5.15 Sam. 6.00 Report at Six. 10.28 Channel news, weather. 12.15 am Commentaires. Weather.

ATV

As Thames except: 11.00 am The Nature of things. 11.50 Satellites of the Sun. 12.30 pm The Entertainers. 1.20 ATV Newsdesk. 2.45 Family. 5.15 Mr and Mrs. 6.00 ATV Today. 12.15 am Stars on Ice.

Ulster

As Thames except: 11.00 am The Herbs. 11.15 Larry the Lamb. 11.25 Stars on Ice. 11.50 The Animates. 1.20 pm Lunchtime. 2.45 Young Ramsey. 4.13 Ulster Headlines. 5.15 Cartoon. 5.20 Crossroads. 6.00 Good Evening Ulster. 12.15 am Bedtime.

Anglia

As Thames except: 11.00 am Chopper Squad (r). 11.50 The Animates (r). 1.25 pm Anglia News. 2.45 Fantasy Island. 5.15 Survival. 6.00 About Anglia. 12.15 am Themes.

Scottish

As Thames except: 11.00 am The Red Baron. 11.50 The Animates. 1.25 pm News and Road and Weather. 2.45 Young Ramsay. 5.15 Popeye. 5.20 Crossroads. 6.00 Scotland Today. 6.30 What's Your Problem? 10.00 News, Scottish Headlines. 12.15 am Late Call: Rev Dr Arthur Gray.

Yorkshire

As Thames except: 11.00 am Cartoon Time. 11.10 The Mackenzie Affair. 1.20 pm Calendar News, weather. 2.45 Cabbages and Kings. 3.15 Calendar Tuesday. 5.15 Bonkers. 6.00 Calendar, weather. 12.15 am George Hamilton IV.

Tyne Tees

As Thames except: 9.20 am The Good Word, followed by North East Headlines. 11.00 Animated Classics. 1.20 pm North East Headlines. 5.15 Mr and Mrs. 6.00 Northern Life. 10.30 North East Headlines. 10.35 Come In, If You Can Get In. 11.05 Film: The House That Wouldn't Die (Barbara Stanwyck, Richard Egan). 12.25 am Epilogue.

(continued on page 21)

PERSONAL COLUMNS

ALSO ON PAGE 23

Box No replies should be addressed to: The Times, PO Box 7, New Printing House Square, Gray's Inn Road, London WC1X 8EZ

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APPOINTMENTS 01-278 9161

PROPERTY ESTATE AGENTS 01-278 9231

PERSONAL TRADE 01-278 9351

MANCHESTER OFFICE 061-834 1234

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JESUS said: Heaven and earth shall pass away, but my words shall not pass away.—St. Luke 21: 33.

BIRTHS

BARNETT.—On November 30th, in London, to Georgina and Charles a daughter.

DEATHS

IN MEMORIAM

ANNOUNCEMENTS

CANCER RESEARCH

WINE AND DINE

FRESH PATE DE FOIE GRAS EN-CROUTE FROM GEORGES BRUCK, STRASBOURG

From £35 to £117 available at BIRLEY & GOEDHUIS LTD, 66 Fulham Rd., London SW3. Telephone: 584 8966.

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CORNWALL.—Polruan, Fowey Estuary, S/c flats all year.—Tel. Polruan 456.

S. DEVON. Xmas flat. £42/56 p.w. 2/6 TV.—794 0337; 874 6650.

SHORT LETS

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DECORATOR'S small Hyde Park flat. Now 6 weeks. Col. TV. Parking. £100 per week. Tel. 262 7050.

HOLIDAYS AND VILLAS

BUDGET HOLIDAYS SUMMER '80

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Up to 50% children's discount.

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PENNYWISE TRAVEL

SAVEWISE TRAVEL

THREE MELONS ON A GREEK BEACH

SUNMED HOLIDAYS

HOLIDAYS AND VILLAS

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If you book one of our low season ski holidays (5/1-9/2) before Christmas we are giving away a £25 voucher to spend on ski gear in Alpine Sports. It's an incredible offer and together with our great value skiing holidays to MERIBEL, COURCHEVEL 1850, VAL D'ISERE and VERBIER it's an unbeatable combination.

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We can also, on request, supply details of select properties available in other destinations which are not featured in our brochure.

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ATOL 1229B

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FOR SALE

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ANNOUNCEMENTS

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Double from £13.50 per night

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ALICANTE	DEC 9, 16
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FUNCHAL	DEC 6, 13
LAS PALMAS	DEC 10
MALAGA	DEC 8, 15
TENERIFE	DEC 7, 14

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DAILY FLIGHTS. Scheduled and charter to most European cities. Freedom Holidays, 01-937 6265 (ATOL 432B AITO).

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HOLIDAYS AND VILLAS

CHRISTMAS SKIING AND BUMPER NEW YEAR BARGAINS from only £109

CHRISTMAS:

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NEW YEAR:

Don't miss these bumper bargains, departing on 5th January.

	1 week	2 weeks
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Montgenevre	£109	£149
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La Plagne	£119	£164
Canazei	£139	£199
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Meribel	£139	£199
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CONTACT US NOW FOR HAPPY CHRISTMAS AND NEW YEAR SKIING

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48-HOUR FITTING SERVICE

(continued on page 23)

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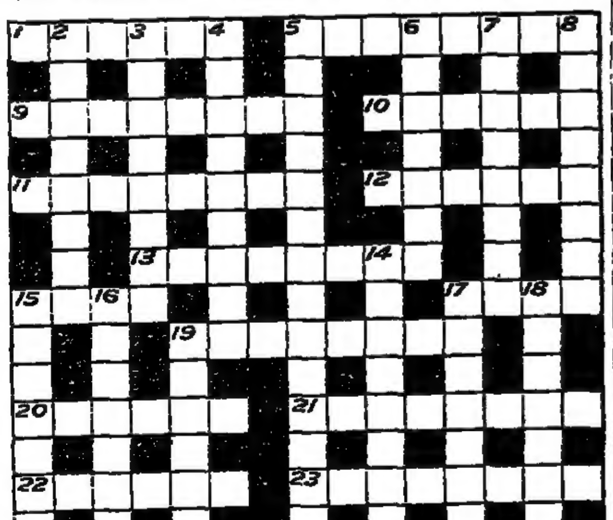


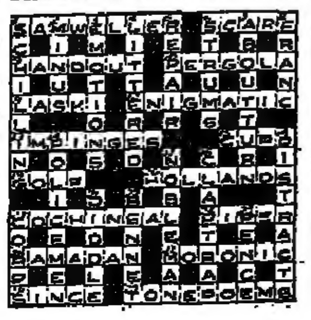
ACROSS

1 Puts in a place that's safe as houses (6).
5 Struck, having formed union—all work included (8).
9 They're heard in court, e.g. Old Bailey? (5).
10 Put oar in sea and paddle? Not half! (6).
11 Battle taking place—I do plunder in retreat (8).
12 Chap of great significance to Caesar (6).
13 Old equivalent of guinea tip—it's extremely English (5, 3).
15 Present for Françoise, shows she's no boy (4).
17 Get pain in back when taking pieces inside (4).
19 Brief flight—yearn to be free of gravity (8).
20 Cut in magnitude of sound (6).
21 Wrongly arrested, they get back on the road (8).
22 Dandy had on his ensemble (vulgar fashion) (6).
23 Poor India out in dramatic test (8).
24 Note what's known about evil haunted castle here (8).
25 Moves timidly, like Liberal amid Left and Right (6).

DOWN

2 Richard couldn't get even this—how petty! (3-5).
3 Guide's first part about fine French city (8).
4 Religious group on Scottish island left partly divided (9).
5 Resort supreme, sea town? Right (6-5-4).
6 Pull fish up from bottom in these islands (7).
7 Adept with endless nice amendments? (8).
8 Training of Arabs, say, to prepare food on time (8).
14 Despite an alteration in order, they come in about twice a month (4, 5).
15 Woman's secret, perhaps—it's included in legacy (8).
16 Medical group flying over England on April 23? (3, 5).
17 Witnessed editor supporting at match (8).
18 Generous applause, but not everyone joins (8).
19 New suit in cooler material (7).

Solution of Puzzle No 15,088



Not even an extra crust at Christmas

... Not if you're old and live in one of the world's hunger countries. You'll be "lucky" to have one scanty meal.

If you who read this expect enough to eat this Christmas, and even gifts and good cheer, then befriend someone who will go hungry unless you help. A modest gift does a lot thanks to volunteers:—

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